Daily Report

Latin America

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Cuba

Embassy Occupiers Told To Abandon 'Plan'

FL2406123194 Havana Radio Progreso Network in Spanish 1100 GMT 24 Jun 94

[Text] At 1530 on 23 June, all the people who had been staying at the Chilean Consulate unconditionally left. Likewise, 53 of the people who stayed in the Belgian ambassador's residence have returned to their homes after ending their illegal and irresponsible action. Right now, the German Embassy is still occupied by 21 people, and another 72 remain at the Belgian Embassy.

All of them have this option: Abandon your irresponsible plan or condemn yourslves to remain for life under a roof which will be a voluntary cell.

No one will attain, at any time, authorization to emigrate through violence and violation of Cuban laws and international legislation. Those citizens wishing to leave Cuba for diverse reasons which range from family, personal, and economic matters, to simple adventure, have been the object of a clumsy political manipulation, which is condemned to complete failure like all those contrived in over three decades of ravenous efforts against the Cuban Revolution.

The Cuban authorities, as a goodwill gesture toward the nations with which it maintains diplomatic and friendly relations, have extended every recourse to the representatives of the embassies involved to solve the conflict in which they have found themselves entangled. Repeating: Only through work, intelligence, serenity, and intransigence can incidents of this nature be avoided and discouraged in the future.

Activists Questioned on Embassy Occupation

PA2306231694 Madrid EFE in Spanish 2132 GMT 23 Jun 94

[Text] Havana, 23 Jun (EFE)—Cuban State security has summoned several human rights activists for questioning on their alleged cooperation with those individuals inside the residence of the Belgian ambassador in Havana, a dissident source said today.

Among those summoned to "Villa Maristas," which is the general headquarters of Cuban State security in Havana, are Elizardo Sanchez and Vladimiro Roca, both members of the "Democratic Socialist Current," and Jesus Yanes Pelletier of the "Cuban Human Rights Committee."

The dissident source explained they had been summoned by authorities for questioning on their alleged connection with the Cubans occupying the Belgian diplomatic mission. The source, however, affirmed they do not know those who are inside the Belgian diplomatic mission, adding that they could be independent human rights activists.

Commentary Assesses Occupation of Embassies

PA2306221094 Havana Radio Havana Cuba in Spanish 0000 GMT 22 Jun 94

[Commentary by Roberto Morejon]

[Text] Twenty-five days after more than 100 Cubans intent on leaving the country forced their way into the residence of the Belgian ambassador, negotiations to persuade these people to desist in their action remain deadlocked. Following the forced entry into the Belgian Embassy, other groups of Cubans separately entered into the German Embassy and the Chilean Consulate, but in none of these cases have Cuban authorities allowed the perpetrators of these illegal acts to leave the country.

A recent statement issued by the Cuban Foreign Ministry was explicit enough to make potential violators give up their goal of violating the norms that regulate diplomatic sites worldwide.

This is not the first time groups have tried to use embassies or ambassador's residences as springboards for their immediate exit from Cuba because they believe that the fanfare of the act itself and the political character they want to give it will ease the way.

The Cuban authorities' position has always been to firmly deny such demands. In these new cases, as on previous occasions, the Cuban authorities have insisted that people who commit such crimes may return to their homes without facing charges, although the perpetrators will not be exempt from punishment for previous crimes or for crimes committed during the forced entry into a diplomatic site.

The previously mentioned Cuban Foreign Ministry statement was even more dynamic in confirming that anyone who enters a diplomatic site by force will never be authorized to leave the country, even if they later abandon the site. By stating clearly that people involved in such acts permanently lose the right to leave the country, the Cuban Government has taken the necessary steps to better protect embassies which, it seems, have become the target of individuals who would like to leave the island through this ill-suited path without being politically persecuted.

As Belgian, German, and Chilean diplomats have seen, the people they are harboring are not the object of political persecution. Moreover, it is very clear that these individuals are additions to a long list of Cubans who want to emigrate to the United States, but the U.S. Interests Section in Havana continues to grant visas with an eyedropper, denying visas to most of applicants.

With the Foreign Ministry's recent statement, Cuba has stressed its traditional policy of not giving in to pressure exerted by people who purport to emigrate by illegal and even violent means.

Castro Addresses Colombian Solidarity Groups

FL2306232494 Havana Cuba Vision Network in Spanish 0030 GMT 22 Jun 94

[Remarks by President Fidel Castro to unidentified members of Colombian solidarity groups at Cartagena de Indias on 16 June—recorded]

[Text] [Crowd applauds, chants: "Fidel, Fidel, Fidel!" Unidentified speaker shouts: "Long live the Cuban Revolution!" Crowd shouts: "Viva!"]

[Castro] We have just held a meeting with an important group of businessmen and industrialists from Cartagena, Barranquilla, Colombia. Then suddenly I came over to meet with the solidarity groups. Well, those persons I talked with are magnificent people. Really. I was positively impressed. Many are already working; many have economic operations with Cuba. They export products, but they not only export products, they purchase products, especially numerous products from the pharmaceutical and biotechnology industry. In other words, trade between our two countries is being quickly developed.

Since it was such an abrupt change, I said: What is this? First I was told I would say something, then others would follow and say something. I said: Well, I have realized it is better for me say something, and then you can ask some questions. Things will be easy this way and I will not get confused here and start talking about plywood, lumber, airlines, tourism, merchandise, and all those things. [laughs] Well, we will help one another, a dialogue rather than a speech, and to answer questions, things you are interested in about the summit or whatever, meaning things about our country. I can tell you about things you are interested in.

First of all, I want to state our profound gratitude for your hospitality, for everyone's hospitality, in Cartagena, Colombia, particularly for your hospitality. I have seen you everywhere. Wherever I went, I saw people who looked like you. [laughter, applause] The faces, enthusiasm, warmth, hospitality everywhere we went within our busy schedule. Our schedule was very busy. Really. You know how the summits are. If you do not know, I will tell you. [laughter] I have tirelessly said this.

Based on my experience with the nonaligned-countries meetings—Cuba hosted the sixth summit in 1979 and almost 100 heads of state and government attended it—I say that heads of state and government are the most undisciplined people in the world. [laughter] Obviously, I cannot say the same about the illustrious colleagues with whom I met recently. Perhaps they can become disorganized in a nonaligned meeting, but here they were very organized.

In the nonaligned-countries summits, when it was time to hold meetings, apparently many people like what I like, meaning that the meetings... [pauses] I am not talking about meetings like this, which are so pleasant. I am talking about the work meetings we have in the government and the party. I have always said that what I like most about meetings are the recesses. [laughter] However, [chuckles] what many of these heads of state like most is to attend these meetings once in awhile. The rest of the time they come from all over the world and hold bilateral meetings; greet friends; and, when it is time for a morning session, the place is empty, there is no one. The ones from Africa are gathered here; those from other places are gathered elsewhere; and so on and so forth.

That is why they give the impression of being undisciplined. Some of them arrive and others follow; and, when a speaker is scheduled to take the floor early in the morning, war breaks out [laughter] because they do not want to address an empty hall. At least the halls were full here; people attended the meetings; and they behaved in a disciplined way. It was a positive impression. The schedule was busy, like I said, and bilateral meetings were held in the morning or in the evening. Actually, there was no time in the morning or in the evening. A meeting was scheduled for 0700.

I slept three hours the first day. I went to sleep at 0400 and I was back on my feet at 0700—no, I was back on my feet at 0600. We had to bathe and all that. It was actually three hours—from 0300 to 0600. The second day, I broke the record and slept five hours. That was a phenomenon. I do not know how I managed that, between 0200 and 0700. The third day, meaning last night, I slept two and a half hours. Things ended very late. I had to leave a table [laughter] because the heads of state were leaving and only a few people remained there. I had breakfast at 2300; I literally had breakfast at 2300. I had drunk some coffee and some juice—nothing else, not even some milk. At 2300, I managed to sit at a long table they had there. Well, I began to eat calmly—not much. When you are in a hurry the best thing is to eat a little. I said I had to leave because... [pauses] I saw Gabriel Garcia Marquez sitting there with other people, and I wanted to go sit over there. I was tired of so much protocol but, like I said, I had eaten very little. I had a little bit of desert. I was served two small slices of coconut pie. I said: Well, I will eat a little bit of fiber. [chuckles] When I was halfway through the first slice of coconut pie, I was told: Let us go. [laughter] I had to get up. [chuckles] I asked: Why? Has something happened here? I was interrupted halfway through the small slice of coconut pie. [laughter]

Aside from that, I think I will have to visit the doctor to check my ears because... [pauses] To tell you the truth, it was a splendid concert with artists from many countries, including a Cuban artist, Carlos Vives, who was presented at the end, but someone's equipment must have broken down and they could not lower the volume. I think more cannon volleys were fired there than during the Battle of Berlin [laughter] because it was very noisy. There were moments when my ears hurt. I was not the only one whose ears hurt. I had to cover one of my ears.

I feigned it like this [laughter] and I leaned back. [laughs] I was actually covering my ear because the noise was unbearable.

Anyway, we ended the meeting very late. I do not know why I had to get up. Perhaps people had to leave. I was told to get up and I asked why we had to get up. I could not even finish my slice of pie. What else could I do? I bid everyone farewell and moved over to Garcia Marquez' table. I felt liberated there. I had finally shaken off the burden of so much ceremony and the pressure of so many political leaders. I found a group of friends there—I did not know some of them, but they were magnificent people—and I stayed there for about two hours. That was why I slept so little last night. It is my fault, but I felt free there. I said: I come seeking asylum here. I come seeking asylum here. [laughter, applause]

The funny thing is Colombian Foreign Minister Noemi Sanin passed by after we had been talking for some time. I told her: I have sought asylum here. She answered: Very well, we welcome you. [laughter, applause] I said: Come here, Noemi. What kind of asylum are you thinking about? [laughter] I sought asylum at this table, you know, but I am firmly determined to return to Cuba. I want to have at least a small plot of land where I can rest, since so much is being said about eternal rest. Just imagine that, I said. [laughs] A small plot of land. [laughter, applause]

Those are anecdotes about the summit but the summit's schedule was certainly busy; and delays occurred because they tried to schedule too many things for such a small amount of time, and there was simply not enough time. Two days were not enough for such a busy schedule despite the hospitality, organization, and great security measures. The security measures organized by the Navy and Public Force members was excellent. Obviously, we were much more calm. Well, we are used to being calm everywhere.

You know that when we travel, there is immediately a flurry of activity since the hunting license has been established. [laughter] Even though hunting restrictions exist in the world; even though animals are protected; even though you cannot hunt whales, and rightfully so; and you cannot hunt lions and rhinoceros—particularly the rhinoceros, because it is reported the rhinoceros' horn has I do not know what kind of aphrodisiac properties. [laughter] People go around killing rhinos, and they will exterminate the rhinoceros. Nevertheless, [chuckles] I am the only species for which there is no closed season in the year. [laughter, applause]

Ever since the CIA planned the first attempts to eliminate me, I have not been lucky enough to be left alone. They are always trying to see how they can get me wherever I move. I must be like an eel... [laughter] for I am very difficult to catch and I get away. [laughter] There are always people from Miami at ceremonies like this, not just reporters from counterrevolutionary stations, but many disguised as reporters. I will never forget that during a visit to Chile many years ago, there were several cameras in front of me and one of them had a gun inside it. The cameraman was posing as a Venezuelan journalist, with a gun. I was right in front of him. Fortunately, they are not suicidal, they are not fanatics. Those are the dangerous ones, the crazy ones. These are crazy, but they are crazy for money. [chuckles] They want to enjoy that money in this life. [laughter]

This has occurred many times, meaning the organized hunts. They mobilize people if we go to this or that place; if we go to Spain. They want to see what opportunity they have, what chance they have. I do not tell you this to pose as a courageous person, only to give you an idea of how difficult it is to travel. They are around; they are the last ones to leave because they are paid to cause problems, make things difficult, create scandals if possible. They watch the hotel entrance and sometimes it is difficult to leave. That is how it has been. It is not an easy task, but that is how it has been. It has been rich in experiences, very interesting.

There is something we have not lacked at any time: the warmth and hospitality of the people in Cartagena, and that encourages us a great deal. I have had to sign some autographs even though I am not an artist [laughter] and I have had to pose for some pictures. I may eventually become blind, given the number of flashes I have had to see in my life. Well, that is the price of fame. Whom do I have to thank for that fame? The Yankees. [laughter, applause]

While in South Africa, while in South Africa, [repeats himself] we attended a luncheon and many people, a lot of people, came over to greet us. I got up with pleasure and greeted all of them. That day I was really hungry; it was not so late, but there is seldom time to eat during these trips, but it was useless. I was not able to taste anything while I was there. I had to sign autographs and pose for pictures with many of the political leaders who went there.

The Americans were not far away. They do not like that. This administration is resigned to it, however. They take it in stride. The Bush and Reagan administrations would get furious when I went somewhere and was treated well. They got the image they worked at. It bothers them beyond measure that there are people in every corner of the world who are kind and hospitable. A reporter came by and asked me why kings, princes—I do not recall how many other things he added—come to greet me. I answered: Let me tell you; it is thanks to the Americans. I did not say Yankees because there are times when one has to be courteous [laughter]. He laughed and went straight to the Americans to tell the vice president right away. Some people saw him.

The Americans who went to the presidential inauguration in South Africa behaved mostly courteously; several of them came by to greet us. The climate is different. Undoubtedly, there was great affection from the ANC and the South African people. They reminded us, since it

was not our place to remind them, of the significance of the Cuito Cuanavale battle, the significance of our cooperation with the Angolan people. A country as small as Cuba deployed up to 50,000 soldiers. We helped them battle the South African aggression. The results of those combats were decisive in accelerating the process of the end of apartheid. [applause] The South Africans were all saying it. They were coming by and stating it with much love and affection.

That is how it happened. Even the U.S. media acknowledged it. I was not seeking that. They might make an official resign for taking his picture with me. Several did however, and some of them are high up. They approached and greeted me. I said to one: I congratulate you; you are courageous. He asked me why. I replied: Because you had the courage to come and greet me. Do you know what he did? About five minutes later he came back with more photographers and said: Let us have our picture taken again, to make sure. It was a very courageous gesture. [laughter]

There are bitter moments, hard work, threats, all those things, but there is also the tremendous inspiration of knowing there are so many noble people in the world, so many generous people, so many people who do not let others fool them, so many people who do allow others to manipulate their brains as is done with a child, and people who recognize the effort—not my personal efforts—none of us is anything without the people, none of us is anything without the effort and sacrifice of the millions of people who struggled and made the Revolution possible, who have supported it, and who are defending it. I am aware that it is our people and their efforts and sacrifices to whom the many noble people in the world wish to express recognition, affection, and support. I have seen it here among you in particular. I have seen in this hospitable, warm land, where we have felt great encouragement because the fight—and we have been fighting and waging a very difficult battle for many years—requires encouragement. This encouragement sustains us, we live on this encouragement. This is why we appreciate, with much fervor and affection, the deep solidarity and support you have provided during these difficult times. These are among the most difficult times we have experienced, in a struggle against the blockade, a struggle against a restrengthened blockade, a struggle against the efforts of our mighty neighbors to the north to make us surrender by hunger, to force us to give up, and to force us to our knees. Yet, we will cut off our legs rather than bow our heads. [applause]

[Unidentified speaker] Using Marti's words: In the world, there are more flowers than snakes. You can be assured that here you will always find a garden to support the dignity of the Cuban people. [applause]

[Unidentified speaker] Commander Fidel, accept my salute of sincere friendship and boundless and disinterested solidarity from this group, as well as all the solidarity groups working jointly today throughout Colombia. We want you to know that we are increasing our efforts and thoughts that you may remain, with the same physical and spiritual integrity, at the helm of your people for the good of the Third World community. Thank you. [applause]

[Unidentified speaker] I am also carrying a gift, a sign of affection for our beloved commander. [applause, laughter]

[Unidentified speaker] From the city of Barranquilla—100 km from Cartagena—a delegation has come to express to you the love of the Colombian people and the deep admiration we all feel for the great political and social work that you have carried out, not only on behalf of the Cuban people, but also on behalf of all the peoples of the world, who see in you and in Marti's people, the best example of dignity in history. [applause]

[Unidentified speaker] Commander Fidel Castro, comrades from Cuba and Colombia: The Cartagena University Professionals Club is honored and proud to have in its midst a man of the historic stature of Fidel Castro. It had always been our dream to meet, greet, and listen to the dialectic and depth of his oratory, and his characteristic wit. We feel truly happy to have with us this hero who we so highly revere and whose good works we have seen.

My dear friends, I dare guarantee that we are privileged to have here, in front of our eyes, such a great man, who is, I believe, after Simon Bolivar, the greatest in history. [applause]

I want to point out this historic moment, not only for Cartagena, but also for the Professionals Club. I am going to ask our illustrious commander to do us the favor of writing his name on this wall because from today on, this hall will be named: Fidel Castro's. [applause, crowd chants: Fidel! Fidel! Fidel! Viva Commander Fidel Castro! Viva! Down with the Yankee blockade! Down!]

[Unidentified speaker] On behalf of the youth present here who represent a Solidarity with Cuba committee, we wish to present this humble banner to you, Commander. The banner reads: Thanks, Commander, for making so much dignity possible. [applause]

[Unidentified speaker] On behalf of the friends of Cuba in Cali, who are very numerous, I have the deep honor of relaying the deepest message of solidarity to the commander in chief, and to tell him that Cali, in the most humble and simple manner, support the entire epic of the Cuban people because we know that the Cuban epic is our epic, the epic of mankind that struggles with hope and struggles to live in a better world.

I would also like to respectfully ask your opinion on the path the Colombian solidarity campaigns, and possibly Latin American campaigns, ought to take. We would like to hear what is the most appropriate form that the expressions of solidarity ought to take at this time. Thank you. [applause]

[Castro] We are truly waging a war for our survival in light of our northern neighbor's attempt to force our surrender by starving, choking, drowning, and crushing us. Our neighbor also tries to isolate us. What you are doing is waging a battle against isolation. What are you doing is waging a battle against the blockade. You have spontaneously understood and seen that for us, this is main path of the struggle right now to resist the efforts of the most powerful nation in the world, which today rules unchallenged. This fulfills what Bolivar and Marti prophesied could happen in this hemisphere. This is what is taking place practically worldwide. We could say that we are involved in that Biblical struggle, the struggle of David and Goliath. We need support because this battle has to be won morally and politically. Above all, by winning the moral battle, one wins everything.

I already told you about what happened in South Africa. I believe that impressed the U.S. observers at the summit. I have really not mentioned this much because I do not want them to conduct a witch hunt against those people who came to greet me. I see that this relates to the same thing. If they see that in spite of the deluge of campaigns, calumnies, and lies against Cuba... [pauses] What has fallen upon our small country, upon our people, and upon our struggle is a true deluge, greater even than the Biblical deluge. Yet, this deluge has not been able to fool everyone. It has not been able to prevent the fact that in so many parts of the world, through instinct and out of an elementary sense of direction that each human being has, only some of the people can be fooled. There are many who cannot be fooled, however. Thus, we have people who react the way you do.

This encourages us and truly gives us hope. As I said, that is what we need, that is our strength, that is our lifeline. We are overwhelmed with emotion by what you have done and by what you do today. We could not imagine anything more affectionate, hospitable, and noble. You cannot imagine the power that this has. That enormous wall must be destroyed with this.

I too studied the Bible because I studied in Jesuit schools. I spent about 12 years studying at La Salle school. I had to study the Bible every year. I cannot forget the story of the walls of Jericho. The story goes that at the end, with trumpets—I believe it was Joshua—some of you may be more up to date on this. It was Joshua, right? The story is that with trumpets they destroyed the walls. I say that men and women like you around the world will destroy the modern walls of this gigantic Jericho, which today attempts to defeat and crush Cuba, the Cuban Revolution, and Cuba's independence, and tries to destroy the brotherhood and unity among all our peoples. [applause]

[Unidentified speaker] Fidel, our children know you. They love you and they love Cuba, and we love our Cuban children. [applause]

[Unidentified speaker] Fidel, all of us in this room, or the majority of us here have lived the Cuban Revolution. We have seen the new man that comes from Cuba. We have witnessed the commander who did put aside war to talk about fraternity and awareness, that you come to a meeting or summit and say that you can perceive the will of noble people, and the men who truly want the new being of Cuba to become the new man of Latin America.

I believe it is important that this disparagement be overcome. I believe North America has a reality, a terrible and inhumane reality, where Latin people are starving, where some live way above others, where an underworld exists, and that underworld of savage capitalism must disappear. I believe we must demonstrate that truth. Just as the Cubans in Miami demonstrate superfluous glory, it is important to demonstrate how this superfluous glory destroys many lives and kills many people through starvation. [applause]

[Unidentified speaker] I have seen the newscasts on television, and they keep saying that you have changed your attire for a guayabera. If you have always dressed in your uniform, why change now? [laughter]

[Castro] My dear, I am going to tell you what happened. I was told that they had requested all visitors to wear guayaberas or regular shirts. All they had to say was that it was so hot, and we would have brought t-shirts or no shirts at all.

As you can see, I had a problem because I have my old habits. I said to myself: What should I do about my hosts? Before, everyone would attend the summits in business suits. I attended those summits in my usual outfit. As a matter of fact, one reporter once asked me about my outfit and I told him those were the outfits I wore when I was in the mountains. I like them, these are my outfits; they are very comfortable. I do not have to keep up with the fads, changing the cut or the design. It is very inexpensive.

I also have a dress suit. I call it that not because it has too many ornaments or anything else, but because it is a suitcoat, a tie, and slacks. It is a suitcoat unlike the one I wear everyday to work, and sometimes I attend ceremonies in that if I do not have time to put the other suit on.

I know that some criticized me. Some began to make up stories. Not everybody, but some would say that I was the only one who attended the summits in a uniform. It seems that they wanted to associate the idea of my uniform with a who-knows-what idea or experience that they may have had in their countries, or perhaps wanted to portray me as a militarist or something to that effect.

I have received no increase in rank, however. I have the same rank I had when I disembarked from the Granma. [applause] I was commander because there were lieutenants, captains, and commanders. There were three captains, one commander, and several lieutenants. That is all there was. I remained commander. I was the only one

who was not promoted. But I was commander in chief... [pauses] I retained that title and rank. We fought the war and we won. We fought in the Bay of Pigs; we fought in many places to carry out important internationalist missions. Many people have received rank. There came a point when our forces were so big that just with the three ranks, it was impossible to keep up.

But I always felt love for the rank I held, which was my first rank, and I always dressed in the uniform.

There are exceptions. I can assure you that I do not sleep in my uniform. [laughter] Every once in a while I will wear pajamas or something similar. If I go to the beach, something I like very much, I do not go swimming or scuba diving in my uniform. [laughter] Instead I wear shorts and practice my sports activities.

But there was a history and tradition. The request was for a shirt or guayabera. It would not have been appropriate for me to be in uniform while the others were in shirts. I thought to myself: Which one of the two will I wear? The one I call the formal suit would not be appropriate. I thought: Should I wear my daily uniform? They would have begun talking about the uniform. I believe I had not worn a guayabera since I was a student. That was not too long ago [laughter], but it was some time ago. Then I decided to demonstrate that I was not afraid of wearing a guayabera.

There are some who have said that I wear a bullet-proof vest. The only bullet-proof vest I wear are my morals. [applause] When you can keep your head high and your conscience clean, then you... [pauses] When you challenge the enemy, it is just like lions do. You have seen the lion trainers in the circus with the whip. Later, he turns his back on the lion and the lion remains calm. Sometimes I must turn my back on the lion and I am at ease.

The enemy is always making plans. I more or less hinted at that before. I am talking about assassination plots everywhere I go. There are many groups that know they have impunity to do this, to organize all types of plans.

Some were concerned. The comrades in charge of security were worried about the carriage ride. They were worried about this because it was 40 minutes among buildings, and with a horse that would walk slowly. Our horse actually had a bad temper. [laughter] We almost had an accident. It crashed into the carriage ahead of us. I believe I was in the third carriage and our horse ran into the carriage in front of us.

They almost convinced me because one should not argue with the people in charge of security. One must listen to them and negotiate with them. They had arrived at the conclusion that I should not participate in the carriage ride. They had me almost convinced. I was looking at the paintings at the Naval museum, but I felt uneasy. I finally told the comrades, I am going for the carriage ride. I told them that it was very difficult for me to play the role of a coward. I do not want anyone to say that I came here to Barranquilla and did not take a carriage ride.

[Crowd interrupting] Cartagena!

[Castro] That is right. I came to Cartagena representing Barranquilla and all of Colombia [applause] that I came to Cartagena and did not ride in the carriage. Then it occurred to me: Who will I invite? [laughter] It occurred to me that I would invite Gabo [Gabriel Garcia Marquez]. I said to him: Gabo, I invite you to come with me. [laughter] I am a bad friend. [laughter] Climb aboard with me. [chuckles] I told Mercedes Garcia Marquez: Mercedes, do not worry, if you are going to be widowed, it is better that you become widowed while you are still young. [laughter] So, there is no problem. [chuckles] I took Gabo with me and we went for the ride and it was fantastic.

That is how it is. So that is why I wore the guayabera. The nice thing about the guayabera is that everyone praised it. [applause] I did not even know how this guayabera would turn out because I did not know how this beard would look with a white guayabera. Well, I finally made the decision to wear the guayabera and I must say I liked it. [laughter]

I still have not decided if I am going to take the plane in the guayabera and change while I am in the airplane, or if I will arrive in Havana in guayabera. [applause]

These are the reasons, but no, I will return to my uniform.

[Unidentified speaker] This poetry book reads: To Fidel, father. [applause]

[Castro] The first thing I wanted to say is that I congratulate Cartagena, I congratulate all of Colombia for hosting the Fourth Latin American Summit. It would be hard to find a more hospitable and beautiful city for this task. I would like to say that not all that is desired is attained in these summits. These summits have the singificance of being the first time, almost, in Latin American history that we have met on our own without having others summon us. It is the fourth time. [applause]

If we speak of integration and unity, we must begin by meeting. Not every head of state has exactly the same views and the number of political ideas are very heterogeneous. The mere fact of meeting to discuss issues of mutual interest always means getting closer; leaders get to know one another. It is a first step, an important first step. It is so important that our northern neighbors felt envious; they were worried, and invented a summit there, of all places, in Miami. [Crowd: Down with the Miami summit!]

If they invite me, I will calmly go. [laughter] But they have already said not to think or even dream about it. They have truly committed an act of cowardice. They did not want me there. They are afraid of ideas, of words.

[applause] They are afraid of the truth, and chose Miami on the basis of domestic politics—that is the truth. It is an important state because there is a group, not a majority, but they are the ones that make more noise. They have more resources. They have lobbies. They have representatives in Congress and make great efforts so the blockade against Cuba is strengthened, for greater hostility and threats against Cuba.

They exert enormous pressure and the U.S. Government takes this pressure into consideration, thinking about the next election, when in fact many members of that community are economic emigres, just like there are millions of Colombian, Dominican, Puerto Rican, and Mexican economic emigres. That is why they are building a wall that is higher than the Berlin Wall, to prevent the Mexicans from crossing over. All the technical means possible are used to stop them. Well, many of these people are economic emigres and they oppose the blockade and aggression.

You have no idea how they treated the representatives of the Cuban communities in the Miami area and throughout the United States when they went to a meeting in Cuba. They were treated with fascist methods, truly fascist methods. Those people are full of hate and the desire for revenge. [Words indistinct] what part of the country each one gets. That is how they think about our country; those are the people who want to own the country. That is why we were not invited to the summit—quite the contrary.

I said: It does not matter if we do not go. The important thing is what will be done and what will be demanded at the summit because there are many things to demand there, face-to-face. They have the opportunity to tell it like it is. I hope that at least a few of them decide to tell it like it is and make demands and defend the interests of Latin America and the Caribbean. That summit, however, is a result of this one, and this one must be defended. Once there was talk of holding these summits every two years. No, every year. This is important, very important. It represents a big step forward and I think that the fact that it was held in this city and with great success truly represents a source of pride. Efforts were exerted so the summit would be a brilliant event. If the program is too long, however, sometimes... [pauses] They wanted to do so much for their visitors that there was practically no time for everything, but the cordial, warm attitude of the people, the city's authorities, and everyone was evident. I want to use this opportunity to congratulate you. I hope this summit becomes part of our history.

I am also deeply touched to hear, like I heard here, that people have come from faraway places. They had to travel hundreds of km. People have come here even from Cali. I think a bus or two buses brought them. Others came from Santa Fe de Bogota and other places. They had to make great sacrifices to do so. In my opinion, this increases the importance of this meeting, of this event. In my eyes, this increases the noble, generous, supportive, human character of the Colombians. In my eyes, it heightens the pride of being part of this Latin American family.

We will be united one day. We will not have the right to mention Simon Bolivar's name and Jose Marti's name with honor until we are a truly united Latin America like they dreamed; so we are a force to be reckoned with; so we have a place in the world; so we are respected by others; so we do not become a balkanized continent, an easy victim of those who have always wanted to seize control, an easy victim of those who want to plunder us. We have the same language, a privilege Europe does not have—yet Europe is uniting to survive. What kind of future do we have, divided in a thousand pieces, if there are great economic and political powers? We have the same culture, which is something the Europeans do not have; we have the same language, which is something they do not have; we have the same origins, which is something they do not have.

What a vision Bolivar had back then! He thought about this when there were no roads, trains, airplanes, communications, telephones like this one. What are they called? [people answer: "Cellular telephones."] Cellular telephones and all these things that allow you to contact Patagonia in a minute. Bolivar rode a horse, he travelled by horse, yet he dreamed about uniting this hemisphere. We must be capable of uniting in modern times, with all the means of communication we have. One feels pride that our brothers are people like you and people like the Bolivians, Peruvians, Brazilians, and the Central Americans, because the people are everywhere, like an immense mine. The conquerors looked for gold all over the place—tens of millions of Indians died when they were forced to look for gold--yet they did not know that the heart of only one of the hundreds of millions of Latin Americans contains more gold than all the gold that existed in the heart of this hemisphere! [applause] I perceive this wealth in our people; I perceive their intelligence; I perceive their ability, and I know we have the right to a future and we will conquer that future.

Together we wage a battle today—you and I, you and our people—so our homeland may survive, so the revolution may survive. That trench must never fall into the hands of the powerful empire [applause] because it would become another weapon to seize control. The day before he died, Marti said everything he had done so far for Cuba's independence was to prevent the United States from extending its dominance over American lands. We are fulfilling the most sacred precepts of our predecessors and those who started this long process. Time will not defeat us ever, and someday we will be the strong, indestructible nation they dreamed about. You are the best proof of this. Thank you, a thousand times thank you! [applause] If they tell you our plane could not take off, it would be for one reason—the enormous cargo of emotions and gratitude we take with us after meeting with you! [applause]

Robaina Views Caribbean, OAS, Blockade

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[Report by Maria Elena Samper from the "Evening Information Review" newscast]

[Text] At the latest working day of the second round table held with the Cuban Government, which was organized by the British financial magazine THE ECONOMIST, Cuban Foreign Relations Minister Roberto Robaina explained the island's foreign policies and other immigration and blockade issues. Questioned by the media, Robaina said this type of meeting is held only when a country inspires confidence and security for businessmen, who have realized there are true investment opportunities here. Due to Cuba's proximity to Caribbean Basin countries, Robaina commented on Caribbean ties.

[Begin recording] [Robaina] Fortunately, we are climbing a path toward normalizing and broadening relations, and we are about to make a very important decision for the Caribbean and Cuba, which not only receives from the Caribbean, but—to be modest—also has many things to offer to the Caribbean. We are about to create the Caribbean States Association, thereby taking one important and valid step toward joining the process to participate in the world economy.

[Unidentified reporter] [words indistinct] and Cuba and the United States could become trade partners in view of the first [words indistinct]

[Robaina] I do not believe in establishing normal relations with the United States. We have a document listing those countries that were with us when we were being besieged. Those countries that helped us when we were being blockaded will continue to play a special role. As for establishing relations with the United States, it may or may not happen; it may come or it may not. To us, Latin America, the Caribbean, and Canada will always be Latin America, the Caribbean, and Canada, because they supported us first.

[Reporter] [words indistinct]

[Robaina] We will not negotiate the establishment of diplomatic relations. These are things that go without saying; they go without saying insofar as the process to establish relations advances. We can say that we maintain diplomatic relations with China and Belize and that we have contacts with Guatemala, El Salvador, Honduras, and Costa Rica. Establishing ties, however, is not part of our plans. We do not want anyone to feel pressured by Cuba, which maintains relations with 147 countries. I believe that should we talk about isolation, we would be the most supported isolated nation.

[Reporter] As for last week's OAS meeting held in Belem, Brazil, how do you view Cuba's role within the OAS? How do you view Cuba's rejoining the OAS? What are the steps you think Cuba will take in the near future?

[Robaina] As far as Cuba is concerned, we will not take any steps. Being part of an organization that expelled us is not one of our priorities. I believe it is the OAS that must decide whether the conditions to amend an unfair decision have already been met. I believe the OAS will have to make a decision; only then will we issue our opinion. We have much more important priorities than joining the OAS.

[Reporter] As for the U.S. blockade on Cuba, when do you believe it will be lifted?

[Robaina] I believe this is an important question because our front-door neighbors are the ones blockading us. You will have to ask the same question to the United States with as much fervor as you are asking me now. I believe, however, that sooner or later the U.S. blockade will be lifted; this is a situation that cannot go on forever, but we do not expect the blockade to be lifted sooner rather than later. I believe the U.S. Government is still refusing to lift it. For the first time, however, public opinion and U.S. businessmen and businesswomen are beginning to reject this policy because Cuba is not the only one that is blockaded; they are as blockaded as we are. In the country of freedom, they cannot visit Cuba; in the country of freedom, they cannot invest here. In other words, we Cubans are blockaded, and so are they.

[Reporter] Can Cuba survive five more years of U.S. blockade?

[Robaina] We already survived 35 years, and I think that, if we survived 35 years under worse conditions, then five more years is nothing. If you ask me, however, I do not want this to happen; but we are willing to accept it. [end recording]

Discusses Human Rights

94CA0115A Havana BOHEMIA in Spanish No 8, 15 Apr 94 pp 34-39

[Interview with Foreign Minister Roberto Robaina by Pedro Vinas Alfonso; place and date not given; first three paragraphs are BOHEMIA introduction]

[Text] A few weeks after Roberto Robaina was named minister of foreign relations, BOHEMIA's international department requested an interview, which he felt was premature at that time. We understood, and suggested that we wait for 12 months and then conduct an extensive interview.

Now that a year has elapsed, we can offer our readers what may be the most extensive interview the minister has given to the Cuban press, in which he answers a variety of substantive questions on Cuba and its place in a world that has changed dramatically in the last five years.

Our readers will receive a report with a gestation period of a year. To some extent, it is a report on the performance by the head of Cuban diplomacy during this time.

[Vinas Alfonso] There has been persistent talk of a strong diplomatic offensive since you became foreign minister. Is that true?

[Robaina] People should instead talk of an ongoing offensive by Cuban diplomacy in the last 35 years. A tremendous diplomatic battle was waged by Roa in the United Nations in April 1961, while in another—though not precisely international—arena our forces repelled the mercenaries' attack at the Bay of Pigs. That has been our style since 1959: exterior work based on what we Cubans are doing inside our country. Our foreign minister's diplomatic arguments were so solid because our people were at that very time defending their destiny on the battlefield.

Now we have again come to a crucial moment in the history of the revolution, when not only is the sovereignty of our nation at stake, but also the very existence of the nation. Our diplomacy must be capable of meeting the challenge of today's circumstances, and that requires giving a new impetus to this offensive. I do not believe it has so much to do with who is in charge of this work, but instead with the pace that the new times impose.

I maintain that those of us who have the duty of explaining abroad what is happening in Cuba face a task that is incomparably less difficult than the effort a housewife makes every day in her kitchen, or a worker expends in reaching his workplace early. At the same time, it is a tremendous challenge to give the world a true image of Cuba, as we are surrounded by a powerful information monopoly as unipolar as the world in which we live.

That is what we are doing now, and we certainly talk of a diplomatic offensive, which we need now: special diplomacy for a special period.

[Vinas Alfonso] What are Cuba's foreign policy priorities now?

[Robaina] Since last year we have established a minimal number of priorities, so we will know exactly where to focus our work.

In the very first place is our legitimate struggle against the U.S. embargo, the growing effort by the international community to condemn this embargo, and taking steps to neutralize the negative effects of that policy of economic isolation.

The dissemination of our real image around the world, with strengths and weaknesses, but a real image as I have explained, is another of our priorities. The great information multinationals have for a long time distorted the Cuban reality, which was been a way of justifying to international public opinion specific political actions taken against Cuba. With our modest resources we must, and we can, every day subvert this situation. The famous human rights issue is one of the most extensively manipulated enemy campaigns, and as we honor the truth, we will not remain seated on the bench of the accused when the greatest violator is trying to serve as our judge.

Other priorities are working to develop economic relations abroad; working for the true democratization of the United Nations and of international relations; our growing ties with the countries of our continent, and specifically with the Caribbean nations; and becoming more active in regional organizations. Finally, we work constantly to strengthen the solidarity movement with Cuba.

It is easy to realize that our goals are not so great as everything we need to do to achieve them. Time will have the last word.

[Vinas Alfonso] Does Cuba have a presence in Africa now? What are the prospects for our relationship with the "Dark Continent"?

[Robaina] I can categorically answer yes to that question; we do maintain a presence in Africa, and we could not do otherwise. Cuba shares with the African countries, in addition to our strong ties of blood and a similar culture and habits, the fact that we belong to the underdeveloped world, so we need to work together to emerge from underdevelopment; this is obviously related to our combat against the present manifestations of colonialism, neocolonialism, and racism.

Our presence in Africa is shown by our 16 embassies and several hundred Cubans who work in various fields, primarily health care, as well as in education, sports, and other areas of economic, scientific, technical, and cultural activity. This is all a consequence of the numerous bilateral accords we have signed, and of our participation in multilateral cooperation organizations.

In addition, despite the enormous limitations imposed by the special period, Cuba continues to provide Africa with extraordinary support, like the training we provide to mid- and upper-level technicians and professionals in all fields, who later will contribute to the development of their own countries. Africans make up almost two-thirds of the foreign scholarship students studying in our country.

In our relationship with Africa, we certainly intend to continue developing these ties that which benefit us both bilaterally, and the Third World as a whole.

[Vinas Alfonso] Can we now discuss the integration of our country with the rest of the Caribbean nations, or is that an objective?

[Robaina] I do not think we can talk about integration. Integration as such has not been achieved in the region. Nor of integration as an objective. Instead, I believe this is a process that in recent years has taken on great momentum. Do not forget that in the 1970's we began to develop cooperation plans for sectors like health care and education with other Caribbean countries.

During our trip to the seven English-speaking Caribbean states with which we have diplomatic relations, one of the constants was their governments' gratitude for the aid Cuba has provided for years in education and health care. Just in university education, during these years we have graduated over 600 students from that region. The contribution made by Cuban medical brigades to Caribbean countries like Guyana and Belize is widely recognized. And this is also part of the integration process I was talking to you about.

One of the main steps taken recently is the creation of the Joint Cuba-Caricom [Caribbean Common Market] Commission, which should promote cooperation and relations with the 13 English-speaking Caribbean nations of the Caribbean Community, in specific sectors such as biotechnology, fishing, agriculture, culture, information, and other areas.

In this move toward regional integration, the projected Association of Caribbean States should play a very important role. This is expected to become a reality in 1994, and Cuba should be a full member of this association.

As you see, this process is going at a good pace, and it really does have great prospects.

[Vinas Alfonso] What might be the future of Latin America if the FTA [Free Trade Association] were to be extended to the entire continent? If that happened, what would happen to our insistence on regional integration?

[Robaina] Free trade has become a trend of our times, especially in our hemisphere, after the formation of large economic blocs in Europe, Asia, and North America.

In addition to the recent FTA, there are in our continent Mercosur [Common Market of the South], the Group of Three (Mexico, Venezuela, and Colombia), the Andean Pact, Caricom, and SIECA [Secretariat of Central American Economic Integration], all of which are moving toward establishing free trade systems among our countries.

Brazil's government recently proposed creating a Free Trade Zone for South America, and its intention to extend this to other geographic areas of Latin America. Cuba is watching the evolution and execution of all these mechanisms.

It would take a long time for the FTA (known by its English acronym, NAFTA [North American Free Trade Agreement]) to be extended all over the continent, and many difficulties would need to be overcome. One difficulty is that the United States would have to be really prepared to eliminate all impediments in its trade with our region, and treat us as equals. This would primarily mean that they would need to take into account the differences existing between that country and our peoples.

Cuba also supports free trade. Because of our geographic position and the development of our economy, we have always been open to integration mechanisms.

However, the embargo the United States maintains against Cuba is an obstacle, and one of the contradictions of those who proclaim free trade as a philosophy, while at the same time they maintain this embargo, apply pressure, and prevent Cuba from exercising this right.

If we now moved toward a "fast track" implementation of the FTA on a hemispheric level, our Latin American countries would have to negotiate separately in bilateral dealings with the United States, which would obviously be a great advantage for the United States.

At the next Ibero-American Summit in Cartagena de Indias, one issue on the agenda will be integration. Cuba will state its position, which may be summarized like this: before reaching a hemispheric Free Trade Agreement, we should go through a process of strictly Latin American integration, which will enable us to talk with the United States from stronger positions. There is still a long road to travel before arriving at a continental FTA.

[Vinas Alfonso] Where are our relations with the European Union?

[Robaina] At a point where we perceive new prospects for cooperation.

Starting in 1993, a gradual and encouraging change has begun in Cuban-European relations. An example of this is the aid sent after the "hurricane of the century" and the neuropathy epidemic, aid for which all our people are grateful. Another example is the European Union's rejection of the extraterritorial nature of the Torricelli Amendment and the European Parliament's condemnation of the U.S. embargo against Cuba.

The seminar held in Havana last December demonstrated that it is possible to talk in a climate of respect and that there is consensus on continuing to develop bilateral relations.

I am sure we will move ahead in that direction.

[Vinas Alfonso] In Cuba's case, does Spain fully play its historic role as the representative of Hispanic America in the European Union?

[Robaina] I really think you should ask Spain that question.

That said, let me point out that, in fact, Spain has historically served as the bridge between Latin America and the European Economic Community (now the European Union), and it has worked to defend the interests of the continent, which Cuba looks upon with favor.

In the bilateral area, we have very extensive relations with Spain in all sectors, and we would like them to continue and expand. This is appropriate because of the

strong solidarity, affection, and shared identity between the peoples of Spain and Cuba.

[Vinas Alfonso] What about our relations with the former socialist nations?

[Robaina] After a period of adjustment and even a considerable decline in ties of all sorts as a consequence of the changes in the countries of East Europe, relations are entering a new phase of normalization and a search for ties which may be of mutual benefit for our peoples.

Of course, the economic ties have been considerably affected, not because of a political decision on either side, but rather because of the lack of real possibilities for fluid trade. Nevertheless, there are other channels for cooperation, and we are working on that. The relations we have developed for over 30 years cannot and must not disappear overnight.

[Vinas Alfonso] Can you tell us about ties with the new republics in the former USSR, especially with Russia and Ukraine?

[Robaina] Bilateral relations with those countries, which after the dismembering of the USSR were at an impasse, have begun to revive and we now see fluid exchanges in both directions.

Cuba maintains relations with the majority of the states that were part of the former USSR. We have ambassadors accredited to the Russian Federation, Ukraine, Latvia, and we also are represented in Kazakhstan, Moldova, Belarus, and Estonia.

With the Russian Federation the most difficult moment in bilateral relations is now behind us. People have become aware of the potential that exists, and there is an obvious desire to restore exchanges and active cooperation in various areas on mutually advantageous terms.

With Ukraine relations are proceeding normally; we want to renew the legal basis of these relations and begin a new phase in trade. Recently the Embassy of Ukraine was officially opened in Havana, and in general we maintain a fluid interchange in political matters. The Ukrainian Government recently approved a significant amount of humanitarian aid for Cuba, which we will receive shortly.

In a general sense, our relations with these new states have a tradition of over 30 years that unites us with their peoples. Now we need to restructure our ties on new foundations, based on the changing situation in today's world.

At the end of last year we were working on some new agreements that have still not been fully executed, but we are confident that the situation of relative stagnation that at one moment threatened our fraternal trade ties has been overcome to our mutual benefit.

[Vinas Alfonso] The "Nation and Emigration" conference will soon take place. How might that help to promote a change in the now old and stale hostility between Washington and Havana?

[Robaina] In the first place, let me make it clear that the old conflict between Cuba and the United States is not on the agenda of this conference. As it has been said, this is a meeting of Cubans who live in over 50 countries all over the world. The issues to be discussed concern only that nation-emigres relationship.

Moreover, it is no secret to anyone that the largest number of Cuban emigres live in the United States, as it is also no secret to anyone that for 35 years that emigration has been used by the aggressive policy of that country against Cuba. In the same way, I am not saying anything new when I say that in recent times a large part of that emigre community is changing in terms of their relationship toward the island and their positions on U.S. policy toward Cuba. Obviously, all this is the context of Cuba's relations with the emigre community, and it would be impossible to avoid touching on this situation during the conference.

Cuba's relations with the United States will definitely not be promoted at that conference. I will reaffirm once again our readiness to discuss the issue directly with that government, without intermediaries and at any time, but in a climate of mutual respect, equality of conditions, and without any preconditions or pressure.

[Vinas Alfonso] Will this meeting be the start of an ongoing exchange? How does it benefit Cubans both here and abroad?

[Robaina] Contacts with our emigres throughout the world have always existed, with some more, with others less, but those contacts have been maintained. Though to be honest, relations with the Cuban community living in the United States have been, as I explained, for a long time tainted by the conflict between the two countries.

Working to normalize relations with the emigre community is one of the fundamental objectives of the conference. It was preceded by the dialogue in 1978, which was certainly an important step taken by the Cuban Government, by means of which effective answers were given to specific problems affecting Cuban emigres.

The forthcoming conference in Havana will provide a followup to that first meeting and solve new problems in the emigre-nation relationship. Cubans on the island who have relatives abroad and those in that emigre community who want to maintain normal ties with Cuba and their families will both benefit.

[Vinas Alfonso] In Miami some spokespersons on the far right are saying that the conference is trying to divide the emigre community. What do you think?

[Robaina] The fact that they are "spokespersons on the far right" confirms what I already said, that every day that emigre community is more divided about how to

handle their relationship with Cuba. So it cannot be an objective of the conference to trigger a process that has already begun on its own.

Obviously, there are different ways of viewing that emigration, and the presence at the conference of some people for and others against will actually be the demonstration of a fact, and not its cause.

[Vinas Alfonso] At all international forums, Cuba insists on the need to end the embargo. Could there be a possibility of that happening anytime soon? Might our problems then be eliminated?

[Robaina] The first is another question that should be addressed to the U.S. Congress or the White House. But we are not going to give up our right to denounce the criminal, antiquated, and ineffective embargo at any forum where a Cuban representative is present.

And we are working every day to add new forces to the already overwhelming mass of countries, organizations, and public figures all over the world, even in the United States, who speak out against that brutal step that violates the principal human right of an entire people, the right to life.

If one day reason triumphs and the embargo is lifted, I can assure you that would eliminate one of our major problems and many others that derive from it. But in no way would that be the end of our difficulties, which have other well-known causes, and against which we are also working every day.

[Vinas Alfonso] You have just returned from a trip to Asia. What can you tell us about that region, which is both so remote and so close?

[Robaina] Precisely that. It is worthwhile to travel that far, if only to realize that we have very good friends in that part of the world, some perhaps, our most loyal friends.

The trip included Indonesia, Thailand, Laos, Myanmar, Cambodia, India, Malaysia, and Vietnam, and had more or less the same objectives as our former visits to other areas of the world.

As always, we brought the truth about Cuba and learned from close at hand about others—experiences like those of Vietnam, which in some aspects coincide with our own economic transformations. There is much that we can, should, and are going to apply here.

With the governments we talked about issues of mutual interest: bilateral and multilateral relations, and the Non-Aligned Movement, which is now being chaired by an Asian nation, Indonesia.

We met with ministers, political leaders, and businessmen, and saw the possibilities of exchanges in various areas, including economics of course, and we discussed prospects for joint investments.

Because of the distance separating us, we have to work creatively to find the most viable mechanisms to increase our exchanges.

Finally, I want to say that one of the interesting experiences of my visit was seeing how our diplomatic missions in those countries, while small and modest, honorably represent Cuba and are a true example of how to make up with efficiency and intelligence for the lack of personnel or greater resources.

[Vinas Alfonso] Your appointment a year ago aroused some opposition. What is the situation now?

[Robaina] Once again, I am not the person who can best answer that. But I can tell you what I think now, a year after my selection as foreign minister.

These have been 12 months filled with a great deal of work and learning, of experiences of all types; a year in which I have traveled to various parts of the world, to some 30 countries in all. I have taken part in numerous international events and talks with personalities from all over the world. It has been a year to adapt, while on the job, to new responsibilities, a new workplace, new comrades. The year has gone well, and I feel pleased about it, although as I am never satisfied, I think a lot more could have been done, and in fact that is now the challenge I face for the next 12 months. Let us see what will happen then.

U.S. Citizens To Visit, Reject Blockade

FL2306171394 Havana Radio Progreso Network in Spanish 1100 GMT 23 Jun 94

[From the "First Thing" program]

[Text] Approximately 200 U.S. citizens, members of the second Freedom to Travel flight, will arrive in Cuba on 23 June to visit sites of economic, historic, and social interest. These U.S. citizens are exercising their constitutional rights to travel anywhere in the world and to reject the blockade against Cuba. Freedom to Travel members are challenging a U.S. law on visiting Cuba and face a possible 10-year prison term and fines of up to $250,000. The first such trip to Havana took place in November 1993 and included 165 citizens from over 25 different U.S. states. This visit is sponsored by the Cuban Institute of Friendship with Peoples with the help of the Union of Young Communists and the Pablo Milanes Foundation.

Vice Foreign Minister Allende Visits Austria

FL2306222394 Havana Radio Rebelde Network in Spanish 1700 GMT 23 Jun 94

[From the "National Radio News"]

[Text] Since 21 June, Vice Foreign Minister Isabel Allende has been in Austria, where she has met with several politicians and members of parliament. Cuban diplomatic sources in Vienna advised that Allende has

met with the Austrian interim foreign minister, and with political, economic, and European integration officials.

Allende also met with members of parliament and relayed to Heinz Fischer, president of the Nationalrat, Ricardo Alarcon's invitation to visit Cuba. Allende also held an affable meeting with members of the Cuban-Austrian Friendship Association.

Authorities Deny Visa to Opposition Figure

PA2406041694 Mexico City NOTIMEX in Spanish 2151 GMT 24 Jun 94

[Text] Havana, 23 Jun (NOTIMEX)—Opposition figure Rafael Gutirrez Santos protested today the fact that Cuban authorities refuse to give him permission to leave Cuba to attend an international trade union meeting in Brussels, Belgium. Gutirrez Santos, who is 58 years old, is on probation after spending eight months in prison for charges of spreading "enemy propaganda." His sentence is still pending.

The activist showed foreign journalists the invitation sent to him by the International Conference of Free Trade Union Organizations (CIOSL), which is headquartered in Brussels, to participate in a forum on human and labor rights to be held next week.

The Belgian Government informed CIOSL that it would grant a visa to Gutirrez Santos but Cuban authorities have refused to renew his passport and to grant him a corresponding departure permit, Gutirrez Santos said.

Gutirrez Santos was an electromechanical operator in the port of Havana and a leader of a regional merchant marine union, which is affiliated with the Cuban Workers Federation until 1992 when he was expelled from the union for his opposition activities. He was also fired from his job at that time.

Bank General Manager Stresses Development Potential

PA2306220894 Havana Radio Havana Cuba in Spanish 0000 GMT 23 Jun 94

[Text] In Havana, Bert Denker, general manager of the ING International Bank in the Netherlands, said the ING Bank chose Cuba for its economic activities because it is a country that has potential and an appropriate infrastructure for development. He said 80 percent of trade with the island consists of basic products, and he believes emphasis should be placed on investments in areas that generate capital for the country, such as exports. He also believes emphasis should be placed on production in areas that can substitute for imported products.

The general manager of the ING Bank in the Netherlands listed some of Cuba's assets as: an educational system that guarantees a highly skilled work force; huge nickel reserves that can be exploited efficiently and at low cost; and an excellent reputation in tourist development.

Denker is attending the second round table conference with the Cuban Government organized by THE ECONOMIST financial magazine. The conference, which is being held in Havana, is scheduled to last two days.

Mexico's Vitro Group Plans Investment

PA2306225694 Mexico City EL FINANCIERO in Spanish 22 Jun 94 p 10

[By Armando Torres]

[Text] Monterrey, Nuevo Leon, 21 Jun—Monterrey's Vitro Group is planning to make investments in Cuba and is thus considering buying a Cuban glass-manufacturing company, according to the company's director general, Ernesto Martens Rebolledo.

The Vitro Group plans to invest $300 million in 1994 to modernize and expand its plants' capacity. It is also willing to invest in Mexico's telecommunications sector if there are attractive projects, Martens Rebolledo added.

As for the sale of Cuban companies, Martens Rebolledo pointed out that the National Foreign Trade Bank [Bancomext] will offer Mexican investors the factories' assets, which the Cuban Government will use to pay some of its debt to Mexico. In that sense, Vitro might sign a purchase agreement with Bancomext in the short run and thus extend its presence in international markets. Thus far, Monterrey businessmen Mauricio Fernandez, Danny Tafich, and Javier Garcia Sepulveda have been heavily investing in Cuba through the establishment of the International Textile Corporation, which consists of 15 plants which employ 33,000 Cubans.

Meanwhile, Martens Rebolledo noted that Vitro's annual sales amount to 10.9 billion new pesos, and its annual exports amount to some $500 million. At the end of 1993, Vitro's total assets were approximately 17.159 billion new pesos, and its total liabilities reached 9.638 billion new pesos. Martens Rebolledo emphasized that in the past few years, Vitro has made investments in fixed assets amounting to approximately 1 billion new pesos a year. In 1992, Vitro invested 1.106 billion, while in 1993 it invested 802 million new pesos in this type of investment.

Since it generates 38,538 jobs, the Vitro Group constitutes a key source of jobs at the national level. It is worth noting, however, that in the past years the economic slowdown adversely affected Vitro's operational results. This is reflected in its annual sales, which grew by a measly 0.4 percent in 1993, while its total assets decreased 1.8 percent in contrast with its total liabilities, which increased 1.9 percent.

According to its latest annual reports sent to the Mexican Stock Exchange, Vitro's staff was reduced 14 percent, while its investment in fixed assets were reduced 27 percent. Both reductions took place during the 1992-93 period.

Raul Castro Demands Strict Financial Discipline

PA2306150394 Mexico City NOTIMEX in Spanish 1855 GMT 20 Jun 94

[Text] Havana, 20 Jun (NOTIMEX)—An official source reported today that Cuban Defense Minister Raul Castro has demanded state enterprises practice strict financial discipline and that he exhorted "an end to the impunity in light of law infringements."

The weekly TRABAJADORES also reported the high-ranking official praised the economic adjustment plan implemented this month on the island and urged a promotion of the "people's understanding and support for measures already adopted or to be adopted later."

The Cuban adjustment program, which the government differentiates from other world shock measures, raised prices and rates of several selected goods and services and includes a possible end to subsidizes of state enterprises, as well as a possible income tax system.

Raul Castro, Army general and Fidel Castro's younger brother, presided over a meeting of the Western Army Military Council, held here on 18 and 19 June to analyze troops' readiness and their participation in agricultural tasks.

Finance and Price Minister Jose Luis Rodriguez reported that at the meeting, authorities temporarily confiscated, among other goods, 162 houses, 232 vehicles, and nine boats from individuals accused of illegal enrichment.

The "precautionary measures" against these people are applied based on Decree 149, by which the government is attempting to halt growing corruption sparked by the serious economic crisis that has prevailed on the island since 1990.

The weekly states that following the meeting that permitted the military chiefs to submit their reports, Raul Castro praised the soldiers' discipline and readiness and "the maintenance of more than 7 million weapons owned" by the Western Army. The defense minister stressed the Army's progress in the planting and harvesting of vegetables, tubers, rice, and beans and the breeding of animals for human consumption, and he urged the troops to save fuel without losing their fighting capability.

Ministers Report on Mining, Tourism Contracts

FL2306161494 Havana Radio Progreso Network in Spanish 1100 GMT 23 Jun 94

[From the "First Thing" program]

[Text] Foreign Minister Roberto Robaina has stressed that it is a Cuban foreign policy priority to continue denouncing the blockade. Robaina told the closing session of the international businessmen's conference in Havana, attended by 180 representatives from more than 20 countries, that Cuba is tired of its emigre community being used against it.

Basic Industry Minister Marcos Portal reported at the end of the conference, sponsored by THE ECONOMIST, that Cuba had signed several geology and mining contracts, including: 26 prospecting contracts; two service contracts; one contract for operating the Mantua copper deposits; and two joint prospecting contracts for gold, lead, and zinc, among others.

Tourism Minister Osmany Cienfuegos told the conference, held at Havana's Hotel Nacional, that there are 26 associations with foreign tourism companies and that almost 40 more associations are in the negotiating process. Finance and Prices Minister Jose Luis Rodriguez said the state's budget deficit will be reduced 25 percent this year. Jan Delanie, executive president of Canada's (Cheeriet, Inc.), stressed that oil prospecting in the Bay of Cardenas has been very encouraging so far.

Ibero-American Tourism Symposium Opens 22 Jun

FL2306161394 Havana Radio Reloj Network in Spanish 1946 GMT 22 Jun 94

[Text] The fourth Ibero-American tourism symposium opened in Havana on 22 June. Carlos Tades, president of the provincial assembly of the people's government in Havana, said at the opening ceremony that this event is possible due to the vast support provided by the Ibero-American Organization for Intermunicipal Cooperation [OICI], which has helped Cuba organize many activities.

He also pointed out the importance Cuba places on tourism: Cuba's tourism revenues for 1993 totaled over $700 million, with hopes that this year's revenues will top $900 million. Carlos Tades added that the number of tourists is expected to increase 25 percent.

OICI Vice President Miguel Angel Pino said he is pleased this event is being held in Havana. Pino recalled that the OICI was established in Havana 56 years ago, when there were no municipal organizations in charge of [words indistinct]. Pino added that tourism is an economic phenomena with vast social dimensions because it ties countries and helps to promote mutual knowledge and unity. Pino urged everyone to work hard so that tourism continues to promote peace, prosperity, and international respect.

New Cubanacan Company Begins Operations

FL2406020694 Havana Radio Reloj Network in Spanish 1930 GMT 23 Jun 94

[Text] Universo, a new company in the Cubanacan, Inc. group established a $20-million goal for this year. The company will have 76 stores, where tourists are offered a

vast array of products. Abraham Maciques and Carlos Garcia, president and vice president of that tourism corporation, attended the ceremony for the official presentation of this enterprise, which has become one of 18 new companies subordinate to Cubanacan, Inc.

Julio Cesar Mas Zavala, marketing manager of Universo, provided explanations on the new company and said its units are located in nine shopping arcades at the Comodoro Hotel, old Havana, Varadero, the central part of the island, Ciego de Avila, Camaguey, Holguin, Granma, and Santiago de Cuba. He said the goal is specialized marketing of local and imported articles.

Domestic Airline's Obsolete Fleet Creates Crisis

PA2306220994 Hamburg DPA in Spanish 1302 GMT 20 Jun 94

[By Karl Morgenstern]

[Text] Havana, 20 Jun (DPA)—The Cuban Airline (Empresa Consolidada Cubana de Aviacion) that took over the Compania Cubana de Aviacion on 27 June 1961 has been badly affected by its Soviet inheritance.

While its predecessor operated exclusively with British and U.S. airplanes, under Fidel Castro's regime the Cuban airline became the Soviet airline industry's best client in the Western Hemisphere. But with its once impressive fleet, today the airline cannot win any laurels. Because of this, Cubana has purchased from Aviaco, a subsidiary of Spain's Iberia Airlines, eight used Fokker F-27's for $6 million, and it has allocated $1.5 million to train the crews to continue servicing national and Caribbean flights.

The twin-motor Dutch airplanes are certainly not the most recent models, but they are still reliable, and despite their age they are easier to maintain than the rest of the old Cubana fleet which includes three An-24's, nine An-26's, 12 Il-62's, nine Tu-154's, five YAK-40's, and two YAK-42's.

Seven Il-62's—four-turboprop long-range airliners that are extremely expensive to operate but are able to carry 200 passengers—will be refurbished and updated to comply with U.S. safety standards, since they will also fly over U.S. territory. Of the nine three-turboprop Russian Tu-154's, short- and medium-range airliners once preferred by the former GDR airline Interflug, only two are in any condition to fly.

The Cuban airline industry is in a deep crisis. The old jet airliners are expensive, and there is a shortage of foreign exchange and consequently fuel, not to mention the scarcity of spare parts for the obsolete Russian airliners. Notwithstanding, Cubana continues flying to Europe, Latin America, and Canada to bring tourists to Cuba.

The country raising the most objections is the United States. In 1991, when Cubana agreed to a joint venture with the Brazilian airline company VARIG to modernize its fleet and receive a strong injection of capital, the U.S. veto was more powerful. VARIG, in pursuit of its own interests in the United States, had to capitulate.

Another example: International law allows Cuban long-range airplanes that fly to Europe the use of a corridor passing over the United States which must be strictly observed. But, as soon as the airliners reach New York they have to turn right and head toward the Atlantic. Even on all flights to Canada, a country with which, much to U.S. annoyance, Cuba has had good relations for many years, Cuban airliners have to take a huge detour.

Heriberto Prieto, general manager of Cubana Airlines, laments: "This is equivalent to one additional hour in flight time between Havana and Canada, with its corresponding fuel expense."

Cuba is looking for a way out of this crisis through practical emergency solutions. Its stated aim is to survive. The best way is through tourist flights which the company does not want to leave entirely in the hands of airlines from Europe and Canada, regions that provide the majority of tourists visiting Cuba.

Therefore, they need airplanes. The first step was taken by leasing a DC-10. Recently, Aero-Varadero, a subsidiary of Cubana Airlines, is flying an Airbus A-310, also leased, from Havana to Frankfurt and Milan on a regular basis, and in the future will fly to Madrid and Paris.

New Society To Promote Renewable Energy Resources

FL2306161294 Havana Radio Reloj Network in Spanish 1952 GMT 22 Jun 94

[Text] Cubasolar, the Cuban Society to Promote Renewable Energy Resources, has been established in Havana to educate and promote the use of renewable energy resources. Dr. Luis Perris Perez, president of [word indistinct], said this new nongovernmental organization wants to help solve economic and social problems by implementing scientific and production developments. Perris Perez, a specialist from the Cuban Solar Energy Research Center, added that the goal is to diversify existing resources by using biomass, biogas, hydraulic, sea, wind, photoelectric, thermal, and [word indistinct] technology. Cubasolar will have branches in all provinces. Its membership categories include: founding, active, adjunct, associate, contributing, and (?golden).

Heavy Rainfall Guarantees Guantanamo Water Supply

FL2406015394 Havana Cuba Vision Network in Spanish 0000 GMT 24 Jun 94

[From the "NTV" newscast]

[Text] Recent rains in Guanatanamo Province were not entirely detrimental because Guantanamo's reservoirs

were filled almost to capacity and will be able to guarantee water necessary for irrigation beyond this year. Dams, minidams, and other hydraulic works in the territory have accumulated 328 million cubic meters. Their users were assigned 150 million cubic meters for this year, and have used 30 percent. An official said precipitation in May left lots of moisture in the soil, so it does not matter if there is no rain in the near future.

[Begin unidentified official recording] We can state that the first semester of 1995 has its water guaranteed in the dams. [end recording]

This is a relief for a province where heavy rainfall is followed by long dry periods. For example, following the deluge in May, there is hardly any precipitation in June; registered rainfall does not even reach the 3-mm mark. Nevertheless, a gradual increase in rain is expected by mid-September.

[Begin unidentified official recording] That would practically fill the reservoirs to capacity by year end. [end recording]

It is true that the capricious weather had harsh results in Guantanamo Province, but every cloud has its silver lining. No one will be able to justify his failure to fulfill goals due to the lack of water. There is enough water in the reservoirs. It is only a matter of using it efficiently.

General Garcia Views EJT Achievements

94CA0115B Havana BOHEMIA in Spanish No 9, 29 Apr 94 pp 34-37

[Interview with Division General Rigoberto Garcia by Caridad Carrobello; place and date not given; first two paragraphs are BOHEMIA introduction]

[Text] Although he is 60 years old, he acts as if he has been drinking from the fountain of youth. Maybe the source of that miracle water is the over 50,000 troops, most of whom are between 18 and 20, in the EJT [Youth Labor Army], which he has commanded since 1977.

Division General Rigoberto Garcia cannot only take credit for training these young men, but he has also added more luster to the stars on his shoulders by producing 632,000 tons of food for the Cuban people, as the EJT tends over 15,000 "caballerias" of land planted in crops as important as sugarcane, coffee, tobacco, citrus fruits, and a variety of other crops.

[Carrobello] Will these officers and soldiers propose a new method of agricultural work? (I am addressing this and other questions to the man whom some people now call "The General of the Fields.")

[Garcia] The EJT, founded in 1973, was conceived at first as only a support force. They had no permanent presence in the areas where they worked. Their constant transfers created problems and a great deal of disorganization. So we established ties with the areas where the troops stayed, and tried to create stability.

With sugarcane, for example, where in the beginning we only worked on cutting the cane, we began to get involved from the beginning, starting with plowing the fields and working through the harvest. When a man is involved in all aspects of the crop, he begins to feel more committed.

There was also a dual structure handling the same mission, the state farm system and our organization. We tried to work this out, and then we took over full responsibility for the work.

[Carrobello] And the organizational transformations?

[Garcia] In the past, as I told you, our forces were scattered, and they worked in different areas at the same time. We set up a bloc system. This means concentrating resources and labor on the first job, and then moving on to another. This made the farm leadership council, composed of both civilians and military, remain fully involved in the field of action, seeing the needs and handling the forces in an operational manner.

[Carrobello] Is this the integral farms method?

[Garcia] Yes, we have over 90 all over Cuba.

(The general takes out a pocket diary listing all the production units the EJT has working. They are classified by municipality, and full information on the farms is provided.)

They work according to a weekly schedule where we list normal, additional, and preventive work. The additional work is to be done if the normal and preventive jobs are completed. So if fuel shortages, problems with rain, or if any other complications arise, they will know what to do.

We have also eliminated quotas. With quotas, there was a tendency to slack off. When the quota was met, nothing else was done. I have often found soldiers sitting down because they had finished. Now we talk of possibilities. There are many possibilities for young men between 18 and 20 to do more.

[Carrobello] Do you think all these features make the EJT the most productive force in the fields?

[Garcia] We are not the most productive in everything. There are agricultural groups that outpace us. But looking at our work in a general way, we are not being immodest in considering ourselves in the forefront.

Some people think we achieve this because we are military. There is no question that a military structure and the ages of our soldiers are two fundamental reasons why we are more efficient. But there are also factors like discipline, stringent requirements, and organization. These are not solely military attributes; these are qualities within the reach of anyone who wants to improve.

Our soldiers now harvest between 80 and 90 quintals of potatoes and our working tools also have an impact on that performance. We have found that if the right

equipment is not used to hold the bag open properly, a man can harvest only 50 quintals and it takes up to 13 minutes to fill a bag, which otherwise would be filled in three.

I emphasize the preparation of the tools we use. If a cutting tool does not have a shielded tip, a soldier's hands get hurt more and he cuts less cane. Without the right tools in good condition, there is no reliable productivity.

[Carrobello] Like any battle, a "green battle" also has its obstacles. What are they?

[Garcia] One difficulty is with the minimum amount of fuel we are supposed to get, that is assigned to us, but that does not reach us. That does not allow me to establish a systematic fuel conservation plan, as should be done. But without a doubt, our major problem is the collection system for our harvested crops. I know this issue is controversial, but I take full responsibility for what I am saying.

We have been hurt by late collections of our produce. That happened with potatoes, cabbage, carrots, and plantains, which were left out in the sun too long. The collection system has all kinds of mechanisms that cause damage to meats and vegetables; I will give you an example. Plantains are picked and then taken to a storage area; from there they are taken to be weighed, and then sent to the wholesale market, then another truck takes them on to other destinations.

That item is loaded and unloaded no less than seven to eight times. It takes a long time to get it to the people, and during its lengthy and cumbersome trip, it runs the risk of being stolen.

If we had responsibility for direct deliveries, I would not steal my own products. I would make sure they got to the markets fresh so they would be top-quality produce, and so people would have the quality they deserve in the products they are buying.

[Carrobello] So far we have talked about the virtues of the EJT. What are its defects?

[Garcia] The young men's complaints are primarily related to not getting enough passes. That upsets them because they work hard, and there are leadership personnel who are incapable of providing adequate answers, arguments they can understand.

In general, the food is accepted. They understand the existing situation and see the efforts we are making to improve it by producing our own food and exchanging products with other farms.

But we do have difficulties with recreation. There are not enough resources and equipment, and the cultural brigades are late in getting to the camps. And there are also shortages of clothing and shoes for the soldiers.

[Carrobello] Prospects, goals?

[Garcia] We will increase our sugarcane, citrus, and coffee production. But our main goal is to consolidate this new system of agricultural work, which demonstrates how much more can be accomplished when people are willing and organized.

Dominican Republic

Foreign Troops Not To Be Allowed In Country

PA2306201594 Madrid EFE in Spanish 1848 GMT 23 Jun 94

[Text] Santo Domingo, 23 Jun (EFE)—The Dominican Government warned today it will not allow the presence of foreign troops in its territory to reinforce the embargo against the Haitian military.

Deputy Foreign Minister Fabio Herrera Cabral told EFE: "In no way will we (the Dominican Government) accept foreign troops in order to reinforce the border."

The high-ranking official referred to Argentine President Carlos Menem's possible offer to send Argentine troops to the Dominican border with Haiti to reinforce the blockade against the military coupists.

Menem will present this proposal during a meeting to be held tomorrow in Washington with U.S. President Bill Clinton, according to high-ranking diplomatic sources in Buenos Aires quoted by the Buenos Aires daily CLARIN.

Fifteen days ago, Argentina became part of the "Friends of Haiti Club," which also includes the United States, France, Canada, and Venezuela.

Herrera said the Dominican Foreign Ministry had no knowledge of Menem's proposal and explained that what the Dominican Government agreed to with the United Nations—and "the United States is aware of this"—is the presence of "approximately 20 observers" who would work together with Dominican authorities. The deputy minister added that the mission would consist of individuals, including military, of various nations, but he said five or six military personnel "cannot be considered a troop."

He added: "We do not accept any foreign troops in Dominican territory to carry out something that corresponds to a bilateral matter. We are not at war with Haiti or anyone" and thus cannot accept the presence of military troops on Dominican territory.

He explained that the Dominican Government is complying with the UN provisions and that it will receive the necessary reinforcements, but this will be in advisory and logistical support.

After saying the Argentine Embassy "in no way" had made contact with the Foreign Ministry to discuss the Haitian crisis, he said his government had not received the logistical support which the international organizations has promised.

"We are absorbing the economic cost of maintaining the Dominican troops on the border with no assistance, up until now, from any international organization," said the deputy minister. Nevertheless, he said despite the heavy cost the embargo represents for the Dominican Government, his country is still guarding the border while the international community's sanctions prevail against the "de facto" Haitian Government.

Haiti

Foreign Ministry: Senator Graham Persona Non Grata

FL2306215294 Port-au-Prince Signal FM Radio in French 1030 GMT 23 Jun 94

[Text] The Ministry of Foreign Affairs of the Republic of Haiti has energetically protested the thoughtless statements by U.S. Senator Robert Graham on the occasion of his visit to Cite Solel on Saturday, 18 May [date as heard].

His statements, the Ministry says, are contrary to all norms of international law and can in no way be tolerated by the government of the Republic. Mr. Graham's provocation is all the more unacceptable in his having taken advantage of the Haitian people's hospitality to threaten the sovereignty of this country and openly call for its invasion. There is no doubt that Mr. Graham's cynical statements lie within the scope of his electoral campaign.

Following Mr. Graham's unspeakable behavior, the government of the Republic of Haiti declares him persona non grata and his presence no longer accepted on national territory.

The Ministry of Foreign Affairs of the Republic of Haiti takes this opportunity to invite foreigners to refrain from interfering in Haiti's internal affairs.

It should be recalled that Florida Democratic Sen. Bob Graham, at the conclusion of a 24-hour visit to Port-au-Prince, came out in favor of a multinational military intervention in Haiti in case of failure of the international sanctions. He asserted that President-in-exile Jean-Bertrand Aristide was favorable to that as a necessary last resort.

Government Threatens To Sue Closed U.S. Banks

PA2406045794 Mexico City NOTIMEX in Spanish 0329 GMT 24 Jun 94

[Text] Port-au-Prince, 23 Jun (NOTIMEX)—The branches of U.S. banks Citibank and Bank of Boston in Haiti closed their doors today in compliance with a Washington order to broaden sanctions against the coupist regime.

A Citibank official reported the measure was adopted because of the White House decision to freeze the funds of Haitian citizens in U.S. banks, without regard to the currency in which they are registered. "We are taking necessary steps to obtain permission to continue operating, however in a limited capacity... that is why we prefer to close our doors today. This is not a definitive closing," the source declared.

Haiti's Ministry of Finance and Economy warned that if these banks do not resume their operations, the government will sue them to force them to respect Haitian laws.

The closing of the banks (the fourth and fifth largest of the nine banks operating in the country) caused discontent among patrons who are not on the lists of people sanctioned by the U.S. Government.

Together with the order, which expands on the one issued on 10 June, the U.S. Treasury Department issued a list containing the names of 250 members of Haiti's political and economic elite, in addition to the nearly 650 supporters of the coupists.

The government of President William Clinton suspended the visas and resident status of Haitian senators who appointed Emile Jonassaint as de facto president.

In response to the U.S. measure, the Interior Ministry announced this Thursday that all foreign citizens will require a visa to enter the country, for which they will have to pay $50 upon arriving in Haitian territory.

The Interior Ministry added that the foreigners who reside in the Caribbean country must renew their residence permit at the end of the current fiscal period. Foreigners must also prove that they have paid their taxes to the Haitian State.

Meanwhile, Army Commander General Raoul Cedras, whose resignation the U.S. Government demands as a condition to lifting the blockade, visited military garrisons in Port-au-Prince to "lift the morale of his troops."

The blockade against Haiti will be more restrictive as of 0900 next Saturday, when American, Air Canada, ALM, and COPA airlines suspend their services to the Caribbean nation. Only Air France will maintain its three weekly flights.

As the date approaches, the coupists increase the aggressive tone of their speeches against the international community and even participate in voodoo ceremonies to invocate the "protection of the guardian gods against foreign intervention."

According to political analysts, however, the coupists have a less aggressive position than the one they held last October when they opposed the return of deposed President Jean Bertrand Aristide although they had signed the Governors Isle Agreement accepting Aristide's return.

The paramilitary Haitian People Armed Revolutionary Front (FRAPH) canceled a strike it had announced for this Friday. This contrasts with its patrol operations to oblige people to respect the strike it decreed last October.

This Thursday, the two most important Haitian labor unions asked Cedras to resign from his post to ease the return of constitutional order and the lifting of the penalties that have negatively affected the population.

Government Establishes Visa Requirement for Foreigners

PA2406023694 Paris AFP in Spanish 0145 GMT 24 Jun 94

[Text] Port-au-Prince, 23 Jun (AFP)—This Thursday, the provisional government of President Emile Jonassaint (not recognized by the international community) established a visa requirement for foreign citizens whose countries demand visas from Haitian citizens. This measure particularly affects U.S. and Canadian citizens, who until now did not need visas to enter Haiti.

A government communique stated that a $50 tax will also be required of foreigners entering Haiti. Foreigners will be able to obtain visas at ports and airports in the country.

Additional Limits Placed on Journalists' Movement

PA2306184394 Madrid EFE in Spanish 1714 GMT 23 Jun 94

[Text] Port-au-Prince, 23 Jun (EFE)—The Haitian "de facto" government announced today that it will restrict the movement of journalists within the country's interior as part of the state of emergency declared more than a week ago.

An Information Ministry communique released today indicates that media representatives will have to obtain special authorization to move outside Port-au-Prince. With this decision, the "de facto" government led by Judge Emile Jonassaint is attempting to limit the movement of journalists in Haiti.

On 17 June, the Information Ministry disclosed a decree in which it bans the presence of unauthorized people at military installations, on the coasts, along the border with the Dominican Republic, and other "strategic areas."

The "de facto" government also urged the owners of hotels nationwide to inform the police within a 24-hour period of the identity of foreigners staying at their facilities in order to maintain a record of new arrivals to the country in light of a possible foreign invasion.

The Haitian People Armed Revolutionary Front—known as the Front for Haiti's Advance and Progress until 21 June—suspended the general strike called for tomorrow. The strike was called to protest U.S. policy toward Haiti.

De Ronceray Denounces UN, OAS as 'Inquisition Courts'

FL2306222194 Port-au-Prince Radio Metropole in French 1600 GMT 23 Jun 94

[Text] The Mobilization for National Development, MDN, the party of professor Hubert de Ronceray, accuses the UN and the OAS of converting themselves into inquisition courts to crucify the poorest nation of the American continent. Within the next hours or coming days, the giants will add new cruelties to the Haitian age-old tragedy, states MDN leader Hubert De Ronceray.

[Begin De Ronceray recording] In spite of our 191 years of struggle against all the weariness of chronic underdevelopment, today, we are more isolated than ever in a hostile, merciless world. Our loneliness is aggravated by our noxious sense of identity, our indiscipline, our intolerance, and the pathological ambitions of our irreconcilable camps. In the coming hours or days, the giants will add new cruelties to our age-old tragedy to again remind us that human rights, stated in the Universal Declaration of Human Rights in the Constitution of the United States, and in all the world's charters, do not apply to the negroes of Haiti.

In the name of democracy, Haitians have no right to work, to travel, to feed themselves, to use the fruits of their labor, to receive medical care, etc.

All it takes now is to brandish the word democracy in order to assassinate Haiti and its people without impunity, and to justify the daily murder of thousands of children and young people, victims of an absurd, criminal embargo.

The misfortunes that are hitting us today could have been avoided if there had been, outside and inside, a minimum of respect for a spark of truth. Our fundamental charter forces us to resist all partial or total occupation of the national territory, to avoid satisfying individual madness linked to some brotherhood or hierarchy, but to assert our rights as a sovereign people and our determination to choose a democracy authentically Haitian, respectful of our laws, of our institutions, and of our cultural identity.

More hardships are ahead of us. But tomorrow will consist of a Haitian political solution that will bring about national and international reconciliation. [end recording]

FRAPH Cancels Call for 24 Jun General Strike

FL2306213594 Port-au-Prince Signal FM Radio in French 1030 GMT 23 Jun 94

[Text] The Armed Revolutionary Front of the Haitian People, formerly the Revolutionary Front for the Promotion and Progress of Haiti [FRAPH], has canceled their call for a strike on Friday, 24 June. There are many reasons for this decision, the spokesman for the Front

stated. The academic year-end exams, the deadline for the U.S. sanctions to go into effect, the fact that the population might like to get fresh supplies, the fact that some people, including both Haitians and foreigners, should leave the country before the suspension of the commercial flights scheduled for Saturday, 25 June, are among the reasons that prompted the Front officials to withdraw their call for a strike, according to its spokesman.

AJEPOPOA Cancels March, Denounces Diplomats Plot

FL2306222294 Port-au-Prince Signal FM Radio in French 1030 GMT 23 Jun 94

[Text] The march planned by the Association of Young People's Power of Haiti [AJEPOPOA] has been canceled. The march against the embargo, which should have taken place today, 23 June, will not occur. AJEPOPOA Secretary General Jude L. Jean-Jacques justified his decision to cancel the demonstration citing the discovery of a plot hatched by diplomatic mission members in Port-au-Prince.

[Begin Jean-Jacques recording, in Creole] Those teams have decided to create mass confusion. They are even considering dropping explosives on this occasion and creating panic in several areas of the capital. We are taking this opportunity to denounce it and say that this plan will not work. [end recording]

Jamaica

Opposition Rejects Government By-Election Statement

FL2306225894 Kingston RJR Radio Network in English 1700 GMT 23 Jun 94

[Text] The opposition Jamaica Labor Party [JLP] says its response to the continued holding of by-elections in the absence of meaningful electoral reforms will not always be intellectual and passive. The threat comes from the Party's general secretary, Dr. (Percival Broderick). A communique from Dr. (Broderick) says the JLP finds Prime Minister Patterson's recent statement most unacceptable [words indistinct] the holding of eight parish council and constituency by-elections.

Dr. (Broderick) also says there has been a chorus of pronouncements by the government criticizing the electronic voting system, while an official response to the proposal has been deferred. Only yesterday, the JLP's two representatives walked out of a meeting of the electoral advisory committee. The JLP walkout protested a report from the acting director of elections that all was ready for the holding of a by-election in southern St. Catherine to fill the vacancy created by the resignation of Hugh Small.

Salinas Appoints New Peace Commissioner in Chiapas

PA2306232794 Madrid EFE in Spanish 2158 GMT 23 Jun 94

[Excerpts] Mexico City, 23 Jun (EFE)—Mexican President Carlos Salinas de Gortari today appointed Jorge Madrazo Cuellar, president of the National Human Rights Committee (CNDH), the new commissioner for peace and reconciliation in the State of Chiapas, which is in southeastern Mexico.

Madrazo Cuellar will replace Manuel Camacho Solis, who resigned 16 June claiming that his work had been criticized by Ernesto Zedillo Ponce de Leon, presidential candidate of the ruling Institutional Revolutionary Party.

"The government's purpose has been clear: to transform the armed conflict into a political dialogue, which will overcome differences," Salinas said upon announcing the appointment of Madrazo Cuellar, who will ask the Senate for a leave of absence to quit the CNDH. [passage omitted]

Salinas said the measures adopted by the government, including an amnesty law, a cease-fire, and the creation of the post of peace commissioner in January, were to "try to resolve within the framework of the law" the demands for dialogue in San Cristobal, 780 km southeast of the Mexican capital.

"It is not through violence that one achieves democratic progress, welfare, and justice. We are committed to having Mexico grow in peace, with more justice and sovereignty," the Mexican president stated. The government is determined to make additional efforts to maintain the dialogue and promote a political solution to the conflict, he said. He recognized that the political parties are committed to the advancement of democracy.

Camacho Solis was appointed by Salinas on 10 January to find political solutions to the Indian insurrection that broke out on 1 January in Chiapas. Camacho Solis met with the rebels between 23 February and 3 March in San Cristobal de las Casas to offer solutions to their demands. Despite the cease-fire that has been in effect since 12 January, the conflict in Chiapas is at an impasse after the Zapatist guerrillas turned down the government's offer and ended their dialogue with the government.

Background on Peace Commissioner

PA2406034394 Mexico City Radio ACIR Network in Spanish 0000 GMT 24 Jun 94

[Report by Marcela Gutierrez from the "ACIR Radio News" newscast]

[Text] President Carlos Salinas de Gortari announced today that the president of the National Human Rights Commission, Jorge Madrazo Cuellar, will be the new peace and reconciliation commissioner for Chiapas starting today.

Following a series of speculations as to who would replace Manuel Camacho Solis as peace commissioner, Mexican President Carlos Salinas de Gortari appointed the president of the National Human Rights Commission, Jorge Madrazo Cuellar, the new peace and reconciliation commissioner for Chiapas. Shortly after 1500, the Mexican president issued a message in which he reiterated the Mexican Government's commitment to resolve the Chiapas conflict through peaceful means. He added that democratic progresses and welfare with justice is not achieved through violence. Let us listen to what he said:

[Begin Salinas recording] I reaffirm my commitment to dialogue and negotiation as a means of attaining peace in Chiapas. This is a commitment to the political solution of the conflict. We rule out violence and the use of force as methods to promote and make social demands. As a demonstration of this determination to seek peaceful solutions to the conflict, I have invited Jorge Madrazo Cuellar, who has accepted, to resume the dialogue and attain the worthy peace demanded by Chiapas. [end recording]

President Salinas said in the Vicente Guerrero Room of the Los Pinos Presidential Palace that his government will make additional efforts to find political solutions to the Chiapas problem. He also agreed to make progress toward democracy together with the political parties and the nongovernmental organizations. In a five-point message, the president stated his determination to resume the talks and attain peace in Chiapas. In Point No. 3, President Salinas said the Mexican Army will maintain a unilateral cease-fire declared on 12 January as long as it is not attacked. He added that patrols at the southern border, as well as the operations to prevent gunrunning activities in the area, will continue. In Point No. 4, the president reiterated his commitment to strengthen social and economic actions in Chiapas in the areas of agriculture, health, and nutrition. Finally President Salinas said he will keep the public informed about the progress made in the peace process.

As the president read the message, Madrazo Cuellar stood to the right of the president. Salinas gave him his full support so that his mission as peace commissioner may be successful. It is expected that the president will immediately ask the Senate to approve the Mexican ombudsman's leave and allow him to fully dedicate himself to his duties as peace commissioner.

We have in our hands Jorge Madrazo Cuellar's resume. I am going to be brief. Among his many academic duties and jobs, he was secretary of the Technical Council of Humanities of the National Autonomous University of Mexico [UNAM] between January and September of 1977, academic secretary of the Legal Research Institute of the UNAM, member of the Editorial Commission of

the Legal Research Institute, and member of the Scientific and Humanities Information Center of the UNAM between 1981 and 1987.

He has also been a member of the Editorial Council of the School of Accounting and Management of the UNAM, secretary of the Legislation Commission of the University Council, president of the UNAM's Editorial Property Advisory Council, member of the Special University Council Commission for the Election of the Organizing Commission of the University Council, and member of the jury for the 1989 National History, Philosophy, and Social Sciences Awards. This is quite long. He has been constitutional law professor at the UNAM's School of Law.

On 6 December 1982, Jorge Madrazo Cuellar was promoted to the rank of researcher in charge of the Legal Research Institute of the UNAM. He has published books and written essays and articles in newspapers and various media. He has presided over conferences in various national forums, as well as international forums in Spain, United States, Argentina, Canada, Guatemala, and Costa Rica. He belongs to the Ibero-American Institute of Constitutional Law. He is president of the Mexican Committee of the International Association of Legal Sciences. We must also point out that Jorge Madrazo Cuellar received the Cross of Honor from President Carlos Salinas de Gortari at Los Pinos on 12 July 1993 in recognition for his research in the field of law during the celebration of Lawyer's Day. He supports an international drive against the death penalty and is the founder of an program against the death penalty organized by the National Human Rights Commission. He has made a special effort to defend women's rights, including efforts within the National Human Rights Commission. This is part of Jorge Madrazo Cuellar's resume.

Marcos Views Possibility of Peace, Elections

PA2306151994 Mexico City LA JORNADA in Spanish 22 Jun 94 pp 1-12, 1-16

[Second of three installments of an interview with Subcommander Marcos of the Zapatist National Liberation Army by Epigmenio Ibarra in the Lacandona Jungle; date not given; first three paragraphs are LA JORNADA introduction]

[Text] Lacandona Jungle, Chiapas, June of 1994—Subcommander Marcos, of the Zapatist National Liberation Army [EZLN] assured that if things stay as they are now, a peaceful transition to democracy seems difficult. For Marcos, "when a group of people decide that armed struggle is necessary and possible—a group mind you; I am not talking about millions of people, but people with enough determination or who are mad enough to carry out the struggle—then big and concrete things can happen in this country."

There is skepticism about the elections in what the insurgent leader calls "the basement of our country." Those who live in this underground world, which pervades the country, "do not see an alternative in any of the candidates, or a capability by any of the candidates to lead a transition process to democracy." The subcommander warns that "they conclude that all is prepared for another fraud and what follows, instead of preparing for a peaceful transition, which is to prepare for violent change."

He adds that "the historic moment is set and it does not even depend on our own strength." He says the only viable alternative is a grand mobilization of society toward the so-called National Democratic Convention, as the "point of convergence." In this second portion of the interview, the EZLN military leader insists that to speak of an imminent general uprising is "not a threat but a warning." He also states that the EZLN can negotiate "with the government that rises from the 21 August election or the government that arises from the convention."

[Ibarra] What can we do about the elections, given the fact that there will be nine candidates and there is supposed to be a different democratic atmosphere? Are the people motivated?

[Marcos] The truth is quite the contrary. If it were not, why does an armed option, such as the EZLN, continue to grow under a truce? It is negotiating and will presumably surrender, and there will soon be an election. Why does a military force such as ours continue to gain territory, resources, and strength? That is the logic we now face. Everyone tells us that the people are more interested in the elections or the World Cup Soccer Tournament. If so, we should have been forgotten. I think they just followed the eight column headlines and full page publications, and never took the historic events that were occurring in the country into account.

It is not true. In most cases, people are not interested in those events. There are many dissatisfied people betting on a violent option. If that were not so, it would be impossible for an army such as ours to grow, when all the technical and military advantages are on the other side, meaning on the side of the enemy.

We are trying to start this mobilization for the election. Many people approach us by many routes. They do not come through full-page publications, news articles, or by way of demonstrations. They clearly say:

- None of the political parties offers an option;
- None of the candidates offers an option as president of the republic;
- There will surely be electoral fraud.

They are very skeptical about participating in the election. They do not see any alternative in any of the candidates, or the capability on the part of any of the candidates to lead a transition process to democracy. They conclude that all is prepared for another fraud and what follows, instead of preparing for a peaceful transition, which is to prepare for violent change.

Why does this happen in February, March, April, May, and now June, when the Clandestine Committee says no to the government's proposals? It is now when the electoral campaign is supposed to be growing and the EZLN is supposed to be relegated to second, third, fourth, or even fifth priority in the media. The electoral campaign is supposed to be the top story.

According to the candidates, the debates are supposed to be a landmark in the country's democratization process. All they are showing us is that the countries problems should be resolved by unconstitutional means. This only produces more skepticism. It produces the same reaction, as the same old show is being staged again.

Now, however, there is an option; it has been demonstrated that armed struggle, violent struggle, is possible. Now the people are deciding that armed struggle is necessary. And when a group of people decide that armed struggle is necessary and even possible—a group, mind you; I am not talking about millions of people, but people with enough determination or who are mad enough to carry it out—then big and concrete things can happen in this country.

[Ibarra] Can it be said that they are just a bunch of crazy people?

[Marcos] Yes, the difference between this bunch of crazy people in January and the bunch of crazy people in June is that now they are scattered throughout the nation. Now there are several groups of crazy people. If a group of crazy people was able to wreak havoc in January, I ask you: What can several groups of crazy people do in several states of the republic?

[Ibarra] It would seem as though we are headed toward a war.

[Marcos] We are still hopeful of what civilian society can do. With the effective end to the siege; with the entrance of the caravan of caravans, what in military terms is called a penetration maneuver, a collapsing of the lines; and with a belligerence within civil society that is very significant—something that is very characteristic of sectors that traditionally cannot tolerate one another—we believe it is yet possible to raise the banner of unity in a broadly progressive, democratic left-wing sector and permit its mobilization before 21 August to seek a transition. In any event, an attempt should be made to make another opening in which it will be possible to speak of negotiations and to speak of peace talks that will not deceive the country, and that will not use—let me see if I can remember the word everyone is using—a padlock, which I believe politicians are using right now.

Finally, the dialogue and proposals forwarded to the EZLN were intended to put a padlock on the armed struggle or the EZLN, and this proved to the EZLN that there would be no solution. What was being done was the initiation of a period of passivity to give other forces time to come into play. This can only continue if there is indeed a definitive and clear change in August.

[Ibarra] Are you not afraid that the influence of whoever calls for peace will be more important than whoever calls for war or warns of the possibility of war?

[Marcos] This is what we have expected since the consultation process, since the dialogue ended in San Cristobal. If the people want peace, why do they recommend that we not give up our weapons? Why do social sectors insist on this so much? I am not only talking about dispossessed sectors. I am talking about the middle class and the business sectors who are sympathetic to our movement and view with concern the possibility that we may surrender.

Why does an armed group of people, faceless people, have so much prestige? How can this happen if it is speaking of war, if it is clamoring for war, and if it represents war in this country? The call for peace or to foresee peace in the face of war is contained in the Second Lacandona Jungle Declaration. We say it is necessary to make room for mobilization. Peace cannot be a declaration or the product of negotiations at a table among a group of hooded men who have no names, a commissioner who is not a commissioner and who does not represent anyone, and a mediator who does not represent the church as an institution.

The possibility of peace has to be the product of the mobilization of this country, be it through an armed struggle, civil struggle, or civil resistance. What we are doing is issuing a warning, and we want this to be clear. The problem of peace in this country is a problem of liberty, justice, and democracy. Any attempt in any other direction is a masquerade to deceive the country or to deceive ourselves.

One way or another, a 1 January will happen again, but next time it will be uncontrollable. We believe this firmly. You know how difficult it is to control a military force that is conducting actions in a specific territory. The federal policemen know it well. They know that during a clash, it is difficult to control troops in terms of what they can do and how they should react. Consider what numerous armed groups would mean for the country. Think of what these military forces, acting without any possibility of being controlled by anyone, would signify. This is hell. This is not the San Miguel checkpoint; this is going to be hell. I think that the military will understand what I am saying if they know what a lack of control or lack of command in the war signifies. They are going to understand that the warning about a civil war is a serious warning to all armies in this case, to both armies, the armies of the federal government and the EZLN.

They can wipe us out, or they can appear to have wiped us out. They can close all of the entrances and say: "You no longer exist. We have killed you," even if we are alive. They can exercise military control over all of the valleys, and they can force us take to the mountains. The federal Army has the technical and military capability of doing this, but it will simply be postponing the problem once

again. It could put an end to this rebellious group in southeastern Mexico, but other groups will emerge elsewhere. The federal Army cannot be deceived into thinking that the solution to the problem is a military solution.

One way or another, history has hit a crossroads. It no longer depends on our forces. It depends on the organization of this divided or disorganized rebellion that is called civilian society. It depends on how it is consolidated and how it is organized. We are offering an alternative—the convention. The convention would serve as a meeting point for armed groups and civilians to regulate this peaceful transition or to give it a little bit of coherence and, in the best of cases, to avoid an outbreak of a civil war.

[Ibarra] Do you think the convention is indeed a suitable path? Can it be?

[Marcos] Look, we, as an armed group, do not have many options; we do not have other paths. We are facing a military siege. We cannot send delegates to speak to other forces because they are suspicious about whether these people are really Zapatists.

As has happened already, there are other forces who claim to be our forces for no other reason than to get money. In turn, there is a great deal of mistrust in other social sectors if someone comes and says: "I am a Zapatist; let us reach some agreement." Then, the only possibility left is to call upon all sectors to come and speak to us under terms of equality, but not to negotiate a surrender; this is what the San Cristobal dialogue attempt was. Instead, we need to talk and reach agreements on something—for example, on what we oppose or what immediate steps should be taken in order that what we oppose does not happen. We have no other alternative, but we would welcome other efforts. Nevertheless, we feel there is so much skepticism among the people, but the government and the political parties still do not understand this. We see no alternative.

For example, political parties all think the same thing: "People are going to forget about the EZLN, and we are going to retake the key role bestowed upon us by the calendar." The calendar gives them a piece of democracy, a piece of electoral change. The opposite, however, would happen—and understand me clearly on this—because in the period leading up to the elections a force that cannot participate in the elections is growing, an armed, clandestine force, a force without a face and which has a numerical disadvantage. This is not logical. Something is happening in this country, and I remind you about what I said in the last interview, when I told you: When everyone in the world had said "no" to armed struggles because of the disappearance of the socialist bloc, because of what happened in Nicaragua, because of the negotiations of El Salvador, and because the beginning of negotiations in Guatemala—when everyone said "no" to armed struggles, why did we grow in 1992 and 1993? Why does an armed movement generate so much support in January 1994?

Moreover, we are again issuing a warning, because in the pre-electoral period this force is growing, and this means that something is wrong. Something is still wrong in this country; there was no change, and no one believes there has been a change. There is a very serious credibility problem in terms of the legitimacy of the electoral process. The only way to legitimize the electoral process is for the government to step aside, for both the government and the government party to step aside. This is the alternative; the alternative was outlined in January, and it cannot be called the EZLN. It must be called something different. But believe me, weapons are going to thunder again if change is not produced. This is a warning, not a threat.

Now they are telling us in the newspapers: "They are making threats from a position of force." No. We could surrender the weapons, everyone would be happy, and the situation would explode on 1 January, but all over the place. [sentence as published] Also, there would be no checks and balances, and then they would have regrets and repentance would follow.

[Ibarra] But your political vision seems a bit too narrow because how can negotiations resume if you call for the president to resign, and if he resigns, will you put him on trial?

[Marcos] No. We are not calling for negotiations with the government. Our "negative" response and the conclusion of the San Cristobal dialogue mean that there is no room or conditions for this to happen. I think the government recognizes this, and it already has made concessions in this regard. I want to state that we are giving up on a dialogue or an attempt at negotiations because we establish, in the document, that it is inappropriate to speak to a government that does not want to change. On the other hand, it is time to speak to the people who want to change it. We are saying we could talk and negotiate with another government—perhaps with the government elected on 21 August or the government resulting from the convention.

[Ibarra] Even if the government elected on 21 August is a PRI [Institutional Revolutionary Party] government presided over by Zedillo?

[Marcos] We could deceive ourselves once more. We could try to speak and talk with such a government, but just look at the statements by Zedillo after we said "no." It is clear this gentleman has placed no hope in negotiations, and certainly he is not the government representative who has become our spokesman. With what determination or confidence can we talk to this gentleman, a gentleman, who following the dialogue, all the procedures, and the cease-fire declared that the negotiations failed, that dialogue is a failure? Evidently, this gentleman would want to negotiate with weapons; that is, he wants to talk to us with bullets. It is clear that he does not want to reach an accord and that he is not open to

listening to us. Evidently, a Zedillo administration that may win the August elections would be a very problematic government to talk to, especially in terms of conditions and an agenda for such talks.

Also, it would raise a question among all armed and unarmed Mexicans: Did he really win, or is it once again a sham? The sham might be clear—say, a shameless fraud—or it might be subtle. Nevertheless, even if he wins technically with so many votes over his closest opponent, he already faces a credibility problem. No one is going to believe this gentleman won the presidential elections after his performance. If it wins the presidential elections, the PRI's problem will not be the EZLN. Instead, its problem will be that of the entire country—all Indian and peasant groups, workers, students, teachers, housewives, settlers. If it wins the presidential elections, the problem for the PRI will be a civil war; that is what its problem will be.

[Ibarra] To be direct, there can be no peace with the PRI.

[Marcos] No. This is final. Under these conditions, we have remained silent about what happens in other cases. People are no longer willing to wait for a commitment to behave properly and to make changes because the PRI is founded on a false system at all levels. The PRI has its own name and image, and it must pay its debts to everyone: Indian chiefs in Indian communities, municipal presidents, police chiefs, judicial police commanders, secretaries and engineers from some governmental office, employees, and others. The PRI has a name and a face for the people; the PRI can be blamed for anything that happens to anyone because it appointed an official somewhere whom it cannot remove now. As a political party, the PRI is built on these kinds of situations. It is impossible, as we said in our second *declaration*, for the government to comply with the San Cristobal agreement because it can do nothing to try to comply with it. I repeat: The PRI is built on such situations.

Look how the seemingly most rational and logical agreement—one that denounces discrimination against Indians and recognizes their dignity—sparks reactions from the *true natives of San Cristobal de las Casas* and from the cattle ranchers who maintain that saying Indians are honorable is racism because they ask: So what does that make those who are not Indians? They even oppose this view. This cannot be. I insist the EZLN is not the problem; the whole country is the problem. The people are no longer willing to give the PRI another opportunity. Let us say the 1 January *No more* slogan has become *No more state party* by June 1994. I am telling you, we are betting on this in light of our analysis of the situation.

[Ibarra] What we are talking about here is the permanence of the state party.

[Marcos] Then, it does not make sense. If this system still has an opportunity to perpetuate itself, and if it still has the strength to rule, then why does a force that disadvantageously rebels against this system grow under such conditions? It is growing not only in the dispossessed sectors; its acceptance is growing in middle class sectors and even in business sectors. This force that is demanding change must have something to it. What we are saying is this: There seems to be a consensus among many sectors—understand me on this—and even among privileged classes, on the belief that the state party must disappear; there are few other alternatives.

[Ibarra] What alternatives are left then?

[Marcos] What we are proposing is a transition period for a transition government to make time for the diverse groups to organize themselves and to face whomever there is to face. This includes the majority of the population. This is what we are saying: If there are many forces that agree the state party must disappear, but they are divided on what should replace the party, then let us have a transition government to give these forces time to properly propose alternatives and see what happens.

They say: "We lack time, because the elections are so close." This is how we respond: You lack time because the war is already coming. They must understand this. The problem in August is not the elections; it is the war. This is why we are saying the only possibility of resolving this problem is agreeing on appointing someone while the change is being organized. This someone must keep things more or less stable while we determine what forces are going to influence or head what is now being usurped by the state party—namely, the people's resolve.

Official: Government's EZLN Plans Unaffected

PA2306195094 Mexico City LA JORNADA in Spanish 21 Jun 94 p 14

[Report by Candelaria Rodriguez and Jose Antonio Roman]

[Text] Tuxtla Gutierrez, Chiapas, 20 Jun—The position adopted by the Zapatist National Liberation Army, EZLN, which Subcommander Marcos has disclosed, does not affect the federal government's intentions and plans to fulfill the pledges it has made "because those pledges are totally justified and are promises made to the communities," said Hector Hernandez Llamas, a member of the government's executive Peace Commission in Chiapas.

President Carlos Salinas de Gortari has imparted instructions for full execution of the government's 2 March pledges, and after the EZLN's refusal to comply eight days ago, the same orders were imparted. The reached agreements, as well as changes in the judicial system, Hernandez has said, are needed by the communities that will benefit from them.

Regarding the funds earmarked for the war zone, 1 billion pesos, the Peace Commission member has said a large percentage of that money is for such services as

health and highway infrastructure in three areas: jungles, mountains, and border regions. Another considerable portion will be used for education, although productive projects will not be neglected.

The federal government must finalize its programs for electricity, a rural telephone system, and potable water for the townships by October. Efforts are also being made in the area of education. A significant number of elementary school children will be included in the school system in September, particularly in communities that have irregular school systems.

It is expected that production projects will have been agreed upon and operational by June and July if the federal and state governments finalize their plans and clearly prove their desire to execute actions which, once and for all, will create a better future and a more optimistic outlook on life for the Chiapas communities. The government wants a return to peace that will foster better living conditions for the communities in that state.

Hernandez said it is necessary for both sides to yield. We will be able to find ways of reaching agreements and working together as long as they have the resolve to do so. Hernandez concluded that as the elements emerge, "we will solidify in time, form, and space the general agreements reached at the beginning of March in San Cristobal de las Casas. [no closing quotation mark as published]

Committee Circulates Primer on Indian Rights

PA2306225794 Mexico City LA JORNADA in Spanish 22 Jun 94 p 34

[By Triunfo Elizalde]

[Text] Yesterday, the National Human Rights Committee (CNDH) circulated a new primer on human rights to increase Indians' knowledge about their basic rights. This primer, which is the 17th the CNDH has issued since it was founded, is directed mainly at the Indians of Los Altos and the Lacandona Jungle of Chiapas.

In the introduction, the CNDH states that on 28 January 1992, the DIARIO OFICIAL published the decree by which an initial paragraph was added to Article No. 4 of the Constitution "recognizing the Mexican Indian peoples and stating that their existence signifies the basis for the nation's multicultural composition."

Further on, the primer emphasizes that according to Article No. 27 of the Constitution; Article No. 128, Section No. 4, of the Federal Code of Penal Procedures; Article No. 269, Section No. 4, and Article No. 296 of the Federal District Code of Penal Procedures; and Article No. 164 of the Agrarian Law, as well as the 1989 Agreement No. 169 of the International Labor Office on Indian and Tribal Peoples in Independent Countries, Indian peoples have the following rights, among others:

1. Indian peoples deserve special respect for their rights and dignity, as well as for their culture and tradition.
2. Indian communities have the right to protect their languages, cultures, traditions, customs, resources, and specific forms of social organization, circumstances that permit them to maintain and strengthen their identity, as long as they are not incompatible with basic rights as defined by the law or with internationally recognized human rights.
3. Indian peoples have full fundamental rights, freedoms, and privileges, which the law grants without any discrimination.
4. Indian communities have the right to the peace that permits them to safeguard their members' lives.
5. Indian peoples have the right to an economic, political, and social development that guarantees a decent life.
6. The state must guarantee Indians' effective access to justice.
7. In federal and local trials involving Indians, their legal customs and traditions will be taken into consideration during the proceedings and when a final decision is made.

Salinas Distributes Land Titles in Tamaulipas

PA2306221194 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 23 Jun 94

[Report by Jaime Guerrero from the "Early Morning" newscast]

[Text] President Carlos Salinas says the reformation of Article No. 27 puts an end to the great Zapatist revolution. He said the struggle for land is over and now the battle is for production and democracy.

The president distributed common land [ejido] titles and confirmed the legality of the documents. Thus far this year, 600,000 peasants have received land titles, thanks to an extensive statistical effort to establish boundaries.

In Aguascalientes, dozens of peasants gathered to hear President Salinas deliver a message of reconciliation.

[Begin Salinas recording] The men and women of the countryside no longer want to exhaust themselves in conflicts. The struggle for land is over, and the victors are the Mexican peasants. [end recording]

The president said an effort will be made to prevent conflicts from eroding agrarian reform. He told the peasants who received titles that their agrarian certificates puts an end to the Zapatist revolution. The EZLN's lands are legally secure, but that is not enough in one of the most backward sectors of the economy.

[Begin Salinas recording] A struggle is now being waged for the peasants to make their own decisions regarding production, organization, democracy, and freedom. [end recording]

The president's tour was devoted to land ownership. In Matamoros, Tamaulipas, the ceremony was very symbolic. Among the people who gathered were 11 peasants who descended from the group to whom Lucio Blanco in 1913 presented the first plot of land resulting from the Mexican Revolution. Eighty-one years later, they have titles for their plots.

[Begin Salinas recording] We have fulfilled the pledge of the government of the Mexican Revolution. [end recording]

In this border city the president confirmed his pledge to defend the country's sovereignty and independence.

Salinas Announces PEMEX To Remain State Owned

PA2406000294 Mexico City EL FINANCIERO in Spanish 22 Jun 94 p 29

[Text] Yesterday, President Carlos Salinas de Gortari reiterated that Mexican Petroleum [PEMEX] will remain state owned and that it will continue its active modernization to transform its structures, raise its efficiency, and establish a more transparent price policy.

He added that so far during his administration, the state-owned company has reduced its operational costs 30 percent and that now, its products represent almost half of its sales. [sentence as published]

When President Salinas de Gortari delivered the National Institute Prize for Public Administration to Benjamin Garcia Paez, he said: "The strategic state-owned company is preparing for Mexico to face 21st century world challenges. The change has resulted in a strengthening of Mexico's presence in the world economy."

He stressed that the company plans to reach greater operational efficiency while simultaneously generating clear social benefits. The efficient performance of the company translates into a strategic push for the nation's economy.

Salinas said: "PEMEX will continue being the property of the Mexican people because it is efficient and meets it social goals." In this way, he added, equal development is guaranteed, social consensus is created, and efforts are joined to strengthen the nation.

INCD Begins Operation in 3 States

PA2406034594 Mexico City LA JORNADA in Spanish 21 Jun 94 p 37

[Report by Antonio Quevedo Susunaga]

[Text] Culiacan, Sinaloa, 29 Jun—Virgilio de la Fuente Ruiz, director of the National Counternarcotics Institute (INCD), has reported that an operation involving 41 federal agents was implemented today in the mountainous areas of the States of Sinaloa, Durango, and Chiahuahua to intensify the struggle against drug trafficking.

He also said the INCD has eight agents, highly qualified in the area of investigation, who will work full-time to determine the activities, whereabouts, and money laundering activities of Sinaloa's most important drug traffickers and drug producers. The official said the 41 federal agents are part of a select group of investigators, adding that they were taken in helicopters to bases the Attorney General's Office (PGR) has set up in mountainous areas.

The official stressed that authorities will investigate those who finance the production of narcotics because the aim is to specifically punish those who provide the financial resources, not so much drug couriers. The INCD director asserted that authorities have detected some marijuana and poppy plantations in the mountains dividing Durango, Chihuahua, and Sonora.

Meanwhile, Antonio Figueroa Lee, president of the Alberto Sanchez Gonzalez Bar Association, affirmed that the PGR must improve the process of selecting agents to effectively fight drug trafficking.

Foreign Secretary on Commitment to Open Elections

PA2306171894 Mexico City LA JORNADA in Spanish 21 Jun 94 p 37

[Text] Foreign Relations Secretary Manuel Tello Macias has said Mexico has a commitment for legal, open, and credible elections in August. Mexico also has a commitment to respond to the "powerful dynamics," oppositions, expectations, and challenges it faces within the framework of the globalization of the economy resulting from participation in NAFTA, APEC [Economic Association of Asian and Pacific Nations], and the OECD.

During the inauguration of the Third Meeting of Honorary Mexican Consuls (the previous two meetings were held in 1990 and 1992), the official said the nation is experiencing important, transcendental, historic moments, an accelerated transformation, and a process of modernization in all sectors.

He said that based on joining NAFTA, APEC, and the OECD, the country is now poised as a forerunner within the international economic system and has linked up with the world's most dynamic trend in economic growth as well as trade and technological exchange.

Tello told the 56 Mexican honorary consuls that domestically, with the participation of all the political and social forces, a consensus has been reached and mechanisms have been established so that this year's elections will be legal, open, and credible.

He also spotlighted Mexicans' commitment to firm, unyielding democracy, saying: "The electoral competition we are witnessing proves this commitment overwhelmingly."

At the meeting where four display tables were set up for the promotion of image, foreign trade, tourism, consular and immigration matters, the consuls were supplied with up-to-date material to appropriately promote the nation.x President Carlos Salinas de Gortari received the officials at the presidential residence, Los Pinos, at the end of the meeting.

Roundup of Electoral Developments

PA2406034094

[Editorial Report] The following is a compilation of reports on developments related to the elections scheduled for 21 August.

Ernesto Zedillo, presidential candidate for the Institutional Revolutionary Party, PRI, presents a 10-point program to combat poverty, pledges to continue to implement and decentralize the solidarity program, and calls upon all Mexicans to join in the fight against poverty.

Cuauthemoc Cardenas, presidential candidate for the Party of the Democratic Revolution, PRD, finishes a three-day visit to Chihuahua State and is criticized by the National Action Party, PAN, for his negative comments on PAN Governor Francisco Barrios. PAN publicly accuses Cardenas of diverting funds while he was governor of Michoacan.

National Opposition Union, UNO, candidate Pablo Emilio Maderos visits the National Autonomous University of Mexico where he pledges to fight unemployment and poverty.

Jorge Gonzalez Torres, presidential candidate for the Mexican Green Ecologist Party, PVEM, visits Oaxaca State, where he says the 21 August elections will suffer because of the high level of poverty in Mexico. He calls for a peaceful solution to the Chiapas conflict because, he says, an armed conflict benefits no one. [Mexico City XEW Television Network in Spanish 0430 GMT 16 Jun 94]

In Veracruz, Zedillo speaks to thousands of PRI members, saying the country's institutional life cannot be negotiated or transformed into the political gain of uncompromising minorities. He calls upon Mexicans to respect social peace, sovereignty, national unity, independence, and freedom. [Mexico City UNOMASUNO in Spanish 17 Jun 94 pp 1-5]

Rafael Aguilar Talamantes, presidential candidate for the Cardenist Front for National Reconstruction, ends his visit to several Jalisco municipalities.

Labor Party candidate Cecilia Soto holds a news conference in Reynosa, Tamaulipas State, during which she says that the United States should provide Mexico and Colombia with evidence of its will to reduce drug use, combat money laundering and arms smuggling, and prosecute drug lords in the United States. [Mexico City XEW Television Network in Spanish 0430 GMT 17 Jun 94]

Cardenist Front candidate Aguilar Talamantes says Peace Commissioner Manuel Camacho Solis' resignation is good for the country and that his party and the Zapatist National Liberation Army, EZLN, are both fighting for the same improvements. [Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 20 Jun 94]

During an interview, PRD candidate Cardenas pledges to improve Mexico's education system and says there is still time to make electoral reforms. [Mexico City XEW Television Network in Spanish 0430 GMT 21 Jun 94]

PRI candidate Zedillo admits that problems in the electoral process have made would-be voters distrustful. He invites PRI businessmen and intellectuals to attend meetings on his behalf because such meetings would lend legitimacy to his probable victory. [Monterrey EL NORTE (Foreign Edition) in Spanish 21 Jun 94 p 1A]

Zedillo campaigns in Villa Alvaro Obregon, a Mexico City low-income neighborhood where he reiterates his pledge to combat excessive poverty. In Mexico City, Labor Party candidate Soto calls for reforming the power of the president. [Mexico City Radio ACIR Network in Spanish 0140 GMT 22 Jun 94]

A new group called the Citizen's Network has been created to promote peace during the elections. The PRD calls for an amendment to the Electoral Law, but the PRI disagrees. Zedillo says the people, not the government, own the solidarity program because the people pay for it. PAN presidential candidate Diego Fernandez de Cevallos denies that his campaign has slowed down, saying that he stopped visiting small communities only because such visits make him lose sight of the larger picture. Labor Party candidate Soto proposes a women's secretariat and claims that she is the victim of slander on the part of her opponents. [Mexico City XEW Television Network in Spanish 0430 GMT 22 Jun 94]

The Federal Electoral Institute, IFE, reports that foreign visitors will be allowed to observe the coming August elections as a means of eliminating suspicions of fraud but the visitors will be banned from participating in political activities. IFE reports that the 48 million ballots required for the coming elections have been sent to the states. Zedillo holds a meeting at the Change 21 Foundation, where he says it is necessary to create a new federalism. In Toluca, Labor Party candidate Soto opposes the PRD's proposal to institute the death sentence. [Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 23 Jun 94]

Cooperation Agreement With Japan to Be Signed

PA2406040494 Mexico City XEW Television Network in Spanish 0430 GMT 21 Jun 94

[From the "24 Hours" newscast]

[Text] Education Secretary Jose Angel Pescador Osuna inaugurated the Fourth National Conference of Industrial and Technological School Directors. Pescador indicated that technological training is as fundamental as basic education.

[Begin Pescador recording] Aside from Mexico's fundamental objective of advancing its basic education through a national program, our hopes for the future might best be met by promoting technological training and research. [end recording]

Raul Gonzalez, director general for industrial and technological training, announced the guidelines for the school period beginning in September. Raul Panan, deputy secretary for technological training and research, announced that Mexico and Japan will sign a cooperation agreement to create the national teachers' training center in July. The Japanese Government will supply machinery and high-tech equipment. The General Directorate of Industrial and Technological Education includes 424 schools and 403,000 students throughout the country.

El Salvador

President Announces Police Director, Security Plan

PA2306154694 San Salvador Canal Doce Television in Spanish 0300 GMT 22 Jun 94

[Report by Erwin Gongora from the "Up-to-Date" newscast]

[Text] This evening, President Armando Calderon Sol announced that Rodrigo Avila, deputy operations commissioner of the National Civilian Police [PNC], has been designated the new PNC director. The president said Avila will be sworn into his position on 1 July. In addition, the president disclosed a national security plan to effectively fight organized crime.

[Begin Calderon Sol recording] The decision regarding the appointment of the PNC director has already been made. Rodrigo Avila will be the new PNC director, and he works at the PNC and will assume his position on 1 July. [end recording]

Regarding the security plan, Calderon Sol explained it will be jointly implemented by members of the National Police, the PNC, and the Armed Forces, which will provide logistical cooperation. The president said the deputy security minister will be tasked with organizing the security plan.

[Begin Calderon Sol recording] The two police corps that exist during this transition period will be placed under the deputy public security minister. These police corps will have a single leader. We believe this reorganization will enable us to face crime more effectively. [end recording]

Calderon Sol said, however, the security plan will not be a success without the people's support; in this regard, he added, certain mechanisms have been established.

[Begin Calderon Sol recording] We are going to implement people's security committees in neighborhoods, cantons, and villages; we are also going to organize people at the municipal level to permit the participation of organized people. [end recording]

The president made these statements at a ceremony held on 21 June commemorating the 60th anniversary of the Central Reserve Bank.

Guatemala

De Leon Announces 'Hardline' Policy on Violence

PA2306180494 Mexico City NOTIMEX in Spanish 0137 GMT 22 Jun 94

[Text] Guatemala City, 21 Jun (NOTIMEX)—Guatemalan President Ramiro de Leon Carpio today announced a "hardline" policy against drug trafficking, terrorism, general violence, and the seizure of land, which "discourages" investments.

The president said his administration will firmly act to dissuade "covert groups" that seek to sow anarchy and unrest in the country in order "to subsequently destabilize the government."

De Leon Carpio said he will not have the national and international community believe he heads a weak government that is overwhelmed by corruption and infiltrated by drug trafficking.

During a visit to the outskirts of the capital, the president said he will end the country's anarchy, which is reflected by high crime rates, kidnappings, and attacks against the infrastructure.

"We are going to respond with the law in our hands, because we have a strong government now. There will be respect for freedoms and rights in the fight against various crimes," the former human rights ombudsman said.

The Guatemalan president reiterated "there are covert groups" that seek to destabilize his administration by seizing land. "I am going to respond to the demands of the Guatemalan people, who no longer want violence, bloodbaths, and armed confrontations," de Leon said. The president has been in office since 6 June 1993. The Guatemalan Government and the Guatemalan National Revolutionary Unity (URNG) have been negotiating for several months to sign a peace agreement that will end the more than 30-year-old armed conflict.

"I am going to punish those responsible for public insecurity," the president warned. He has been severely criticized by political opponents due to the wave of kidnappings, dynamite attacks, threats, and generalized violence in the streets.

Human Rights Ombudsman Jorge Mario Garcia has said that after one year in office, de Leon has yet to respond to the general clamor for an end to the attacks and violence, which bring mourning to the country. Guatemalan Indian leader Rigoberta Menchu, who received the 1992 Nobel Peace Prize, has expressed her "disillusionment" over the current administration.

De Leon Speaks at Peace, Reconciliation Meeting

PA2306131094 Guatemala City Teleonce Television in Spanish 1900 GMT 22 Jun 94

[From the "Telepress" newscast]

[Text] The first meeting for peace and reconciliation was held on 22 June at the Central American Parliament. President Ramiro de Leon Carpio attended the ceremony. During his speech, the president referred to the importance of the event:

[Begin de Leon recording] This meeting clearly exemplifies the existence of a general, spontaneous movement to achieve a united criteria, links in the chain of progress toward a better Guatemala in all aspects. Upon seeing all

of you gathered here, I am moved to finally see the initial fruits of an action favoring the signing of peace.

I invite you to do everything within your reach to make this first meeting for peace and reconciliation precisely that: the first of a series of similar meetings in which a group of brothers will seek the best for their fellow human beings and for themselves. I ask you not to be deterred by fear in the face of a situation to which we are not accustomed, because we have been immersed for so long in a fratricidal war. I also ask you not to listen to those who do not believe in, disqualify, and label as a betrayal the act of participating in this peace process in Guatemala.

In these meetings, I ask you to face the new Guatemalan reality with enthusiasm and dedication. Peace depends on the political resolve of the parties that are directly involved. That resolve exists with total certainty on the part of the government, over which I am honored to preside. That political resolve, allow me to say, has been totally confirmed and proven in the past months, in the past hours, and in the past minutes in Oslo. This has been confirmed not only on the part of the friendly countries of the process but, in general, by the entire international community. That is why I dare say the government is more concerned that that peace, which for us is and should be irreversible, should be a lasting peace. That is why we must all prepare for it, to fight the causes that might generate new outbreaks of groups that are discontent not for ideological reasons but, rather, for economic or social reasons.

We must attempt to achieve the total and absolute respect of Guatemalans' human rights, not just individual rights because we are on that path, but also, and especially, economic, social, and cultural rights. [end recording]

Nicaragua

Commentary: FSLN Loses With Ramirez Purge

94CA0118C Managua EL NUEVO DIARIO in Spanish 27 May 94 p 4

[Commentary by Manuel Martinez]

[Text] Their greatness cannot be diminished, only confirmed. Ideas have a face, said Sergio Ramirez at an assembly. And ideas are symbols that motivate action. Rebellion against the ideas championed by Sergio Ramirez has taken shape in the political defeat of the proposals to reform the Sandinist National Liberation Front (FSLN). The fact that Sergio was not elected to the National Directorate is, symbolically, something akin to the expulsion of the archangel Lucifer. That is because Sergio Ramirez's great virtue, or the danger he poses, is his contribution as the visible head of the current of the "Sandinism that would return to the majorities." But the mere fact that he shook the foundations of the FSLN, regardless of his defeat, as Monica Baltodano correctly stated in a radio interview, is a precedent that can only be fully appreciated as the FSLN's future unfolds. The first sign of its implications will come with the results obtained by the FSLN in the 1996 elections.

Others, more adept than he at allying themselves with those who really hold the reins of power, at the last minute jumped on board the orthodox, radical boat. They ended up with a high number of votes and kept their share of power. They clung to power without regard for the political consequences suffered by the FSLN.

A party that paralyzes itself and loses the momentum of renewal places itself on the sidelines of the power game. The consequences are not something that can be foreseen with a crystal ball, but by analyzing the course of events, it is possible to predict the future clearly. And in this case, I think the prognosis is delicate and guarded.

Sergio Ramirez is one of the most astute thinkers in the FSLN, and in this defeat, Sergio Ramirez revealed his true human greatness as never before. Not even when he bravely led the Group of 12, or during his tireless efforts as vice president of the Republic, did he show us the magnitude of his capacity as a politician and intellectual. Now, more than ever, he demonstrated his ability to bravely take on an inescapable proposition from which there was no shirking, and he stood firm even though it meant his ouster.

His contribution, for example, to the idea that authority cannot continue to be vested in a group anointed for historical reasons, when that model has been outmoded by our present reality, and that the fulcrum of power should rest on rank-and-file Sandinists chosen in open elections, had to come at a high cost. And he paid that cost in the purge. But like everything in life, the seed has been planted, the work has begun, and it inevitably will bear fruit.

Commentary Rejects Baltodano's Revanchism

94CA0118B Managua EL NUEVO DIARIO in Spanish 25 May 94 p 4

[Commentary by Francisco Bravo Lacayo]

[Text] It cannot be denied that our unity was shattered at the Sandinist Front Congress. The outcome of the congress was logical and foreseeable, given the intense preparatory activity carried out by Commander Daniel Ortega and his sympathizers, who took advantage of their strategic positions in the party apparatus.

But does this mean that the front is irredeemably doomed to division and failure in the civic battles that lie ahead?

We sincerely believe it is not. Everything will depend on how and in what manner pending issues are dealt with, on how the Sandinist comrades led by Dr. Sergio Ramirez Mercado are treated, and on how they react.

In spite of everything, we believe that the seeds for **unity in diversity** were planted, and the only reason more was not accomplished was the lack of time and space. If Daniel's deeds match his words, he will find a way to stanch possible wounds and to prevent the cracks that threaten to widen from irreversibly destroying the **unity** that is so badly needed.

It is not a question of approaching the problem of unity from romantic positions, but of standing firmly on the principles that demand viable unity as a *sine qua non* for solving the myriad problems that are assailing most Nicaraguans.

We are alarmed by Comrade Monica Baltodano's statement threatening to oust Sergio Ramirez as head of the Sandinist delegation at the National Assembly, rather than appealing to him to try to coordinate the effort. The same is true of BARRICADA Editor Carlos Fernando Chamorro.

If the threat of removal materializes, it will be a demonstration of ayatollah-like intolerance that will have an adverse impact on our people's mentality, and as a consequence, it will be another nail in the coffin of the Sandinist Front's aspirations to return to power.

That is why we said yesterday that we must put an end to vengeance, that virulent disease that has plagued us Nicaraguans and prevented us from reaching a consensus to save our country.

It is necessary and positive for all the factions in the Front, be they large or small, majority or minority, to avoid exaggerating their differences. Each person should do his part to contribute to the spirit of brotherhood that should prevail in a revolutionary organization.

The congress adopted positive resolutions that at least challenged the old rhetoric. Sandinists should take heed and continue working on this unfinished task.

Baltodano Details Position on Newspaper Changes

94CA0118A Managua BARRICADA in Spanish 25 May 94 p 6

[Letter to BARRICADA editor by FSLN Commander Monica Baltodano—for related reporting on this issue see FBIS-LAT-94-104]

[Text] Managua, 24 May 1994

Mr. Carlos Fernando Chamorro Editor of BARRICADA
Your Office

Dear Carlos Fernando:

In today's edition of BARRICADA, dated 24 May 1994, was a front-page story under the headline "New National Directorate Takes Aim at BARRICADA." On the third-page continuation of the story, under the headline "Purges Ahead in the Sandinist National Liberation Front (FSLN)," are my responses to questions asked of me by the press early the morning of Monday, 23 May.

To avoid any ambiguity, I would like to make the following clarifications:

1. At no time did I suggest changes in the executive positions at the daily BARRICADA, since that decision is and always has been up to the collective of the National Directorate.

2. I came out against any vengeful attitude and pointed out that if we were not vengeful with the Somoza National Guard, why should we be with comrades from our own ranks? I made it clear that it is not a question of turning away good will, but of attracting more good will.

3. I reaffirm my conviction, which I have defended at many party assemblies, that BARRICADA's editorial line must undergo substantial changes. I think that in saying that I am representing the opinion of the FSLN rank and file. But that does not necessarily mean that this opinion is shared by the bodies elected by the congress.

4. At no time have I ever thought, nor do I think now, that BARRICADA should become the official organ of the FSLN, much less a mere parrot for repeating party slogans or a political pamphlet.

5. In conclusion, I am totally convinced that BARRICADA will be able to defend and promote the political line that can be deduced from the desires expressed in the Program, Principles, and Bylaws agreed upon at the Special Session of the FSLN Congress. This will help strengthen the cohesion and unity of the Sandinist rank and file, which is of vital importance in confronting our eternal adversaries.

Fraternally,

Monica Baltodano

Panama

Government Freezes Haitian, Libyan Assets

PA2306192094 Panama City EL PANAMA AMERICA in Spanish 23 Jun 94 p A1

[Report by Juan Pritsiolas]

[Text] Panama has ordered the freezing of bank accounts and properties of the Haitian and Libyan Governments in this country.

The decision was adopted in compliance with resolutions the UN Security Council has taken against the military officers who overthrew Haitian President Jean-Bertrand Aristide and against Libyan leader Mu'ammar al-Qadhdhafi, who is accused of promoting terrorism.

The Foreign Ministry decrees enable Attorney General Jorge Valdes to "immediately" order the freezing of Libyan and Haitian military funds.

The Foreign Ministry measure regarding Haiti also prohibits the Haitian military from entering Panama and bars exports and imports to and from that country.

President Guillermo Endara's government has also banned Panamanian airplanes from flying to Haiti.

These UN measures were adopted in order to restore democracy in Haiti and reinstate deposed President Aristide.

Concerning Libya, in addition to ordering the freeze on funds and properties of that Arab government or companies, Panama has prohibited the sale of equipment the al-Qadhdhafi regime could use for oil exploration.

Mulino Announces Special Flights for Haitians

PA2306173194 Panama City LA ESTRELLA DE PANAMA in Spanish 23 Jun 94 p 36

[Report by Esteban Huertas G.]

[Text] Foreign Minister Jose Raul Mulino announced yesterday Panama will establish special flights for Haitians who are in Panamanian territory when the blockade on commercial flights to that Caribbean island goes into effect.

Mulino said that before that date, "Haitians who are in the country may be returned to their country."

The foreign minister added that if Haitian citizens cannot get seats on "scheduled Copa flights to Haiti for any reason, the Panamanian authorities will authorize the airline to make two flights so that all of the Haitians may return home. [no closing quotation mark as published]

Haitian Charge Comments on Amnesty Offer

PA2306200194 Panama City LA PRENSA in Spanish 23 Jun 94 p 2A

[Report by Jose Quintero de Leon]

[Text] Haitian Charge d'Affaires George Barberousse has informed LA PRENSA that the policy of Haiti's constitutional government is that any arrangement with the ruling Haitian military hierarchy must remain within the framework of the Governors Island Agreement.

Barberousse referred to the exile offer extended by President Bill Clinton to the regime headed by Lieutenant General Raoul Cedras, whereby its leaders would not be victimized or prosecuted.

The diplomat explained that President Jean-Bernard Aristide has agreed to grant political amnesty, but that common crimes would not be covered by this. He stressed that common crimes must be resolved under common law.

With regard to whether or not Haiti's powerful economic class has offered the military hierarchy bribes to leave the country, Barberousse said that although this sector would be interested in stabilizing the situation, it is also a fact that they sponsored the coup d'etat against Aristide. If they were to make such an arrangement, it would be among themselves, he said.

Regarding the problem posed by the 150 undocumented Haitians who are currently in Panama, and to whom the Directorate of Immigration has granted permits to remain in Panama while their return to Port-au-Prince is being arranged, Barberousse said the embassy has not yet received an official statement from the Panamanian Government.

Nevertheless, Barberousse expressed concern over the situation this group of Haitians will face. They will not be allowed to work and will not be provided with the means to survive. Under these conditions, he said, they could easily become the victims of crime.

Barberousse commented on one aspect of the remarks made by Immigration Director Antonio Dominguez, who banned the Haitians from practicing voodoo.

"I believe there is certain evidence of cultural insensitivity," said the charge d'affaires, who pointed out that all peoples have their own values, idiosyncrasies, cultures, and religions, and to deny a people these things is intolerable. Barberousse defended the Haitian ancestral religion as one of his people's values, just as Catholicism, Buddhism, and other religions reflect other values.

It is a religion that is also a way of life and deals with relations between humans and God; it has positive as well as negative aspects, and the former outweigh the latter. Barberousse added that the negative aspects have been exploited by foreigners who go to Haiti to attempt to resolve their problems.

Meanwhile, Panamanian Foreign Minister Jose Raul Mulino announced yesterday that his office is trying to make arrangements for the 150 undocumented Haitians to return to their country on flights coordinated by the national government.

Mulino pointed out that since COPA flights will be suspended on 26 June, arrangements are being made to schedule two flights before that date.

"If, for some reason, a group is unable to get seats on the scheduled COPA flights, we could do what we have done in the past—in other words, issue permits for one or two more flights to return to Haiti those left behind," he said.

According to the foreign minister, this procedure would not constitute a violation of international laws governing the matter.

"My interest," Mulino underscored, "is to return these people to their country of origin, because in Panama we have enough unemployment and security problems of our own, and we do not have the economic capability to maintain all of them, even though their reasons for fleeing their country are justified."

Argentina

Menem Supports Nonproliferation Treaty

PY2306131494 Buenos Aires PAGINA/12 in Spanish 22 Jun 94 p 11

[Article by Maria O'Donnell from Ottawa]

[Text] After signing an agreement on nuclear cooperation with Canada, President Carlos Menem announced here that next week he will send a bill to Congress asking for approval for Argentina to sign the Nuclear Nonproliferation Treaty. "This is the only step that is lacking so the country can receive credit as a trustworthy country in the world," a diplomatic source said, and he explained that the president's promptness is due to the fact that the treaty is about to be revised and therefore it is the appropriate time for Argentina to sign the document, having refused to sign it in the 1970's.

The president's promptness also is due to the fact that, as a UN Security Council member, the Argentine Government told the United States that it is willing to support that organization if economic sanctions are imposed on North Korea for having violated the treaty. If Jimmy Carter's mediation with North Korea to get the latter to accept routine inspections of its nuclear plants fails, then Argentina would find itself in the position of sanctioning the Koreans without having signed the treaty.

In the 1970's the following countries, in addition to Argentina, did not sign the treaty: India, Pakistan, Israel, Cuba, and Brazil, although Brazil, like Argentina, signed the Tlatelolco Treaty, but it was not willing to sign the Nuclear Nonproliferation Treaty.

"The countries that do not sign the treaties are saying that they reserve the right to develop nuclear technology for non-peaceful means. But we already have changed our position, and now we do not want to be left out of the meeting that will be held in April to decide whether the treaty, which is for 30 years, should be extended," the diplomat said.

The most important local newspaper, the GLOBE AND MAIL, on 21 June on page 2 published an article lauding Menem for signing the agreement with Canada and the announcement regarding the treaty. Greenpeace [preceding word in English] had another interpretation: It organized a small demonstration to protest the agreement because the organization says the main objective is to pave the way for the sale of the Canadian reactor Candu-3 to Argentina. "Argentina does not need it because it already has one, but construction was postponed due to the lack of funds," according to Greenpeace [preceding word in English]. "It is evident that Canada is interested in selling the Candu to Argentina," admitted Canadian Foreign Minister Andre Ouellet.

Signs Agreement in Canada

PY2306175394 Madrid EFE in Spanish 1929 GMT 21 Jun 94

[Excerpt] Toronto, 21 Jun (EFE)—On 21 June, the Canadian and Argentine Governments signed a nuclear cooperation treaty that will allow Argentina to broaden its program for the use of nuclear power.

The document was signed during a special ceremony attended by Canadian Prime Minister Jean Chretien and Argentine President Carlos Menem, who is paying a three-day visit to Canada. According to the agreement, Canada may provide special technology and cooperation in the nuclear field to Argentina.

The agreement will allow Argentina to make better use of its nuclear resources for strictly peaceful purposes, especially in the energy field, according to official Canadian sources.

Canadian Foreign Minister Andre Ouellet said during the ceremony that the agreement "marks the beginning of a new phase of the relationship between the two countries."

The minister announced Canada will sell Argentine technology and equipment for the installation of a second nuclear plant in addition to granting aid for the research being carried out by Argentine experts.

The agreement was signed after Argentina this week signed the nuclear nonproliferation treaty in which the signatory countries agree to use nuclear power strictly for peaceful purposes. [passage omitted]

Review of Second Day in Ottawa

PY2306235994 Buenos Aires LA PRENSA in Spanish 22 Jun 94 p 2

[Text] During the second day of his official visit to Canada, President Carlos Menem said that while he is president the peso will maintain its current exchange parity with the dollar. He reiterated that there is no possibility of devaluating the peso and confirmed that he will meet with his American colleague, Bill Clinton on 24 June in Washington.

Contradicting all predictions, the president announced he will be in Washington when the Argentine team plays Nigeria. He will watch the game on television. Moreover, his advisers assure that Menem will return to Buenos Aires on the night of 24 June.

The chief of state granted an interview to the Canadian media, breakfasted with leading businessmen and some government officials, and signed cooperation agreements with official organizations of the Canadian Government.

"There is no chance that the peso will be devaluated because that would return us to a tragic experience that Argentines have already suffered. To return to what we

had before would be fatal for Argentina," he stressed during a meeting with executives.

He said Argentina has buried "the culture of speculation as the rule, we are now entering an era of work and production."

He acknowledged that there is pressure "especially from the export sector," adding that to change the parity that has been established by the convertibility plan would be "bad for the rest of the Argentine community."

The president told Canadian officials and businessmen that Argentina is ready to join NAFTA—the free trade zone among the United States, Canada, and Mexico. He admitted, however, that an invitation has not been received to participate in the agreement. Canadian International Trade Minister Roy McLaren immediately answered: "If that decision were ours alone to make, we would extend it today." The minister added that Argentina can rely on "all possible support" from the Canadian Government, which is "willing to do so." During a personal meeting with Menem on the first day of the visit, Prime Minister Jean Chretien expressed this sentiment to the Argentine president.

The president and 20 Argentine executives, who are in Canada seeking investment and buyers for national products, met with a dozen Canadian businessmen, including representatives of companies that participated in Argentine privatizations and high-ranking Ottawa government officials.

Menem confirmed he will meet with President Clinton at the White House on 24 June and denied that he would watch the Argentina-Nigeria match on 25 June in Boston.

It was officially reported that the chief of state will meet and play golf with former U.S. President George Bush at his residence the state of Maine. The delegation will travel to Washington in the official Argentine plane.

Menem will arrive in the U.S. capital early on the morning of 24 June for his meeting at the White House with the U.S. President, and remain in the city until after the Argentina-Nigeria game. He will return that same day to Buenos Aires.

During his meeting with the media, Menem said he asked the Canadian authorities to "stop the dumping" [preceding word in English] of 1,400 tons of Canadian wheat in Brazil at prices below the international market. This move provoked losses of $180 million for Argentina.

"We were a closed and statist country but we are now opening up. Out of loyalty, we ask the nations that have always had a market economy to now act with equality," Menem maintained. He insisted that Argentina's regional integration priorities lie with the Common Market of the South because "there are good prospects for doing excellent business deals." He indicated that poverty, which afflicts "40 percent of Latin Americans," and unemployment, which "has reached alarming levels despite the growing economies," are the two most serious and urgent problems afflicting humanity.

The president took the opportunity to express his viewpoint on the international political map. He said he approves of military intervention in Haiti, adding that he has "good" personal "relations" with Cuban President Fidel Castro.

Menem To Offer Troops for Haitian Blockade

PY2406123294 Buenos Aires CLARIN in Spanish 23 Jun 94 pp 4, 5

[Article by "special correspondent" Nancy Pazos in Quebec, Canada]

[Text] Carlos Menem already has discovered a finishing flourish for his tour of northern North America. At the White House on 24 June, the president will announce to his U.S. counterpart, Bill Clinton, that Argentina is willing to send men to the Dominican Republic to reinforce controls at the Haitian border as the Haiti Friends Club proposed in the United Nations.

Haiti was the first issue U.S. State Department people included on the bilateral agenda for the meeting with Menem. The United States is waiting for a definition of the political situation of that country. Some people are speculating that if the international embargo imposed against the dictatorship of Raoul Cedras does not yield any results, the United States would be willing to invade Haiti.

During the few breaks in their Canadian tour that ended in Quebec, a city privileged by nature, Menem and his foreign minister, Guido Di Tella, reviewed the stance that Argentina will take on various issues. A sentence that echoed frequently in the president's ears was: "Within the UN and OAS framework, and within this framework alone, we are ready for anything."

Argentine joined the Friends Club two weeks ago, already made up of the United States, France, Canada, and Venezuela and coordinated by former UCR [Radical Civic Union] Foreign Minister Dante Caputo, representing the OAS.

The Friends Club's initial measure involved canceling all commercial flights (the only air connection with foreign countries is Air France) and freezing the bank accounts the Haitians—and their closest relatives—who participated in the coup that overthrew Jean-Bertrand Aristide have in the United States.

The Friends Club also fixed its eyes on the Haitian-Dominican border. It believes the international embargo might be evaded through this 300-km-long border.

Menem actually does not have to resort to the announcement to demonstrate his siding with the U.S. stance. Our country actually is the only Latin American country that supports the maritime trade embargo with a corvette.

Nevertheless, the president had to make a showy gesture, and he is aware of the fact that Haiti represents an obsession for Clinton.

In addition to the presidents, U.S. Vice President Al Gore, Christopher Warren and Anthony Laker (the two Department of State heads)n [name and title as published], U.S. Ambassador to Argentina James Cheek, Guido Di Tella, and Raul Granillo Ocampo, the Argentine ambassador to the United States, will meet around the oval table in the White House.

Messages to finalize the details kept coming from the United States on 22 June while Menem's entourage hurried to complete its extensive tour of Quebec (that included a golf game with Governor General Martial Asselin at the local Royal Club) on time.

The president will arrive at 0930 today at the Sanford airport in Maine. There he will be met by his "close" friend George Bush (concerning Clinton, Menem on 22 June noted that he and Clinton are "from the same continent"); Bush's wife, Barbara; and Granillo Ocampo. Menem will travel with daughter Zulemita; his personal doctor, Alejandro Tfeli; and his private secretary, Ramon Hernandez, aboard a private jet loaned by an unknown U.S. businessman who is a friend of Bush. The presidential airplane Tango-01 will go on to Washington with the rest of Menem's entourage.

Today's agenda already has been completed: Menem will play tennis in the morning, have lunch, have some photographs taken by journalists, and finally play golf. For dinner, before leaving, Menem will contribute a selection of Argentine wines.

If everything goes the way he has planned, Menem's only disappointment might be that he will not make a stopover in Boston. Menem decided to watch the Argentina-Nigeria soccer game on television from somewhere in the United States. Otherwise, Box No. 134, which has been reserved for Menem, will be occupied by Bush and Granillo Ocampo.

Stock Exchange President: Slump 'Not Worrisome'

PY2306174394 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1455 GMT 22 Jun 94

[Text] Buenos Aires Stock Exchange President Julio Macchi stated on 22 June that the decline in the value of shares and government securities "is not worrisome" since it is linked to the generalized slump in stock markets worldwide.

Macchi said that he wished "our stock market was an exception, but it is really impossible to escape from these trends once they take place," adding that he is not greatly worried about the current situation.

Macchi—speaking on the radio from Canada, where he is accompanying President Carlos Menem as part of his retinue—asserted: "It is the rise in the price of commodities that is causing a decline in securities that represent capital and—concurrent with this—a rise in interest rates."

He further stated that this situation may act as a brake on the inflow of capital into Argentina, but at the same time, "we will have a better exchange balance parity as the dollar loses against other currencies and the prices of beef, grain, and oil go up."

With regard to Menem's state visit to Canada, Macchi said: "We have met with businessmen and have come to the conclusion that Argentina is now considered a more credible country."

He also underlined that Argentina "stands out from other countries in the so-called emerging markets as it is more attractive for the direct investment of capital."

Political Positions for 1995 Elections Examined

PY2406022094 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1503 GMT 22 Jun 94

[Special report for NOTICIAS ARGENTINAS by Luis Torres]

[Text] Buenos Aires, 22 Jun (NA)—The 1995 presidential race is clearly and definitively under way. This has been confirmed by Carlos Menem's concern in achieving the quiet approval of the constitutional reform, and by Cordoba Governor Eduardo Angeloz's concern in gaining an advantage through the unification of the upcoming elections. Angeloz will certainly be the UCR [Radical Civic Union] presidential candidate.

There are three political directions that can be noticed during this World Cup month, and which outline the national electoral future. First, Angeloz's Radicals are fully engaged in playing a leading role to defeat their probable contenders in the party's primaries, such as Senator Fernando De la Rua and Deputy Federico Storani. Second, Menem's Peronists are moving the chess pieces of the upcoming elections with the goal of fully polarizing the people's hopes, thus preventing the run-off election system that truly represents a "fearsome hell" for them. Third, Deputy Carlos "Chacho" Alvarez's Grand Front [FG] is actively engaged in probing the spirit of other parties, with the goal of forming a broad alliance that will allow it to challenge the Peronists. Storani and Peronist Senator Jose Octavio Bordon have been included in the FG's immediate plans. UCR President Raul Ricardo Alfonsin has been included in the FG's future plans.

Current politics, and the hide-and-seek game played by many leaders who are attempting to hide what is obvious, may be interpreted based on these three directions.

The Governors' Silence

The president has peevishly imposed upon himself the painstaking and severe task of making his most cherished dream come true as soon as possible: the approval of a constitutional reform that will allow him to become a candidate again. This task involves preventing any action that could delay or obstruct the Constituent Assembly's progress.

Therefore, the attempt to include a clause allowing the governors to be reelected without the requirement of resorting to provincial conventions was quickly scrapped, after the proposal created a controversial atmosphere that threatened to spread to the entire Constituent Assembly. The proposal was shelved, but not dismissed. Menem, as any other politician, is aware of the fact that if a weapon is not of any use today, it will probably be useful tomorrow.

After spirits were calmed with the removal of this proposal, it did not take long before the governors demanded increased revenue sharing in the federal tax system.

The first to scream blue murder was Economy Minister Domingo Cavallo, who believed that his adjustment and stability program would be seriously jeopardized by the hopes harbored by the governors, led by a "hardliner" like La Pampa Governor Ruben Marin. Marin was supported by the Radical Rio Negro Governor Horacio Massaccesi.

Economy Ministry officials secretly and almost stealthily contacted prominent Peronist leaders (Alberto Pierri?), asking them to intercede with the Peronist governors.

Therefore the presence of Buenos Aires Governor Eduardo Duhalde at the Federal Revenue Sharing Commission, with the goal of talking with the governors, was not a coincidence.

Although no one explained the reason for Duhalde's visit last Tuesday evening, everyone believes that the Buenos Aires governor—undoubtedly, the most powerful Constituent Assembly member—is attempting to prevent the Peronist governors' insurgency over the distribution of the tax cake. Duhalde also has the official title of national Justicialist Party [PJ] president, which allows him to issue some instructions from the high command, like the duty of remaining silent so as not to stir up the constitutional reform's internal atmosphere.

Although a concealment effort is being made, the explicit order is as follows: "In order to win the upcoming elections, the economic program must not be touched; if the governors keep bothering with the tax issue, everything will go to hell..."

The Radicals' Roar

Eduardo Angeloz keeps harping on the need to unify the presidential elections, without concealing his goal of making full use of the advantages that he may receive in the run-off or "ballotage" [preceding word in English] system in the upcoming elections.

Angeloz's equation is simple: With the "star" governors—"winners" [preceding word in English] like Tucuman Governor Ramon Ortega, Santa Fe Governor Carlos Reutemann, and Entre Rios Governor Mario Moine—unable to run for reelection, with the resulting accumulation of votes it is better to compete under a unified system because the "influence" effect will be minimized.

Menem believes quite the opposite, even though he has remained silent on this issue.

As the Cordoba governor has not noticed any sign of solidarity from Alfonsin, he has just talked with Alfonsin in an attempt to achieve Alfonsin's commitment to pressure the government to achieve the unification of the elections.

In a nutshell, Alfonsin told Angeloz that the following political and technical problems exist for the unification of the elections:

- Menem's presidential term of office would have to be extended for six months (from July to December), which is specifically banned by the current constitution. The 1853 Constitution states: "The president and vice president will discharge their duties for six years..."
- The governors' terms of office would have to be reduced. This would involve meddling in the autonomous provincial system, paving the way for another highly dangerous meddling: the direct reelection of the "winners" or "star" governors.

It is being said that Alfonsin will "not move a single finger" to promote the unification of the elections unless the entire UCR leadership specifically asks him to do so through a document signed and certified, in order to prevent "poor" memories later.

Alfonsin is actually attempting to have his party understand that it must not spend any effort on these elections, but wait for the possibility of achieving alliances or preparing to regain power by the turn of the century, in 1999.

Thus far, Alfonsin is keeping—at any price—the UCR presidency, a privileged position for reaching agreements and devising future strategies.

UCR To Support 6 Jul Federal March

PY2406014094 Buenos Aires CLARIN in Spanish 23 Jun 94 p 13

[Text] The Radical Civic Union [UCR] has adhered to the Federal March, a mobilization that has been called by labor sectors to protest over the official economic policy. It will be preceded by four regional marches that will end in Plaza de Mayo on 6 July.

The decision was announced on 22 June by Cordoba Provincial Governor Eduardo Angeloz, who heads the UCR's Political Action Commission.

The UCR's adhesion, which politically strengthens the labor sector's call, was preceded by support from some internal sectors of the UCR—like the Convergence Sector, headed by Federico Storani and Juan Manuel Casella; the Centennial Athenaeum faction, headed by Jesus Rodriguez; and the Radical Youth.

The decision announced by Angeloz has the support of UCR President Raul Alfonsin, who is represented by Leopoldo Moreau on the Political Action Commission.

The Cordoba provincial governor explained that the UCR "adheres to and calls upon the people" to join the march because "there is a legitimate demand by a society that has been crushed by the economic debacle."

The Grand Front and the Social Unity also adhere to the Federal March. The main leaders of these groups participated last week in a meeting with the labor leaders that head the mobilization: Victor De Genaro of the Congress of Argentine Workers (CTA), and Juan Manuel Palacios and Saul Ubaldini of the Argentine Workers Movement (MTA).

Cordoba (From our bureau)—The Federal March will apparently not have massive support in Cordoba.

The caravan coming from the northwest, which has been organized by state workers of that region, will pass through this city on the night of 4 July.

A leader of the Union Liaison Board, which coordinates all Cordoba Province labor sectors, told CLARIN that it will formally adhere to the march next week. Notwithstanding, the degree of commitment to the march by members of the board, which was created on the eve of the 10 June general provincial strike, fluctuates.

The local leaders of the CTA, which is one of the organizers of the Federal March, sounded out the possibility of launching another general strike on 4 July. Their colleagues from the CGT [General Confederation of Labor] Chacabuco faction, especially those who belong to the Labor Organization and Action Movement (MOAS), refused to go along. The Union Liaison Board on 22 June decided to invite other intermediate organizations to join the demonstration against the economic policy.

The weight of the mobilization will basically fall on the Sanitary Works Union, the ATE (State Workers Association), and the Printers Union, which are all grouped in the CTA, and on the leftist political organizations. Other sectors of the Cordoba provincial labor movement, which have an ample majority, will only give their formal support.

Bolivia

Three Drug Trafficking Rings Dismantled

PY2306212094 La Paz PRESENCIA in Spanish 19 Jun 94 p 7

[Text] Antidrug "Operation Trebol" was conducted on 23 May in Santa Cruz. Three international traffickers organizations were dismantled, hundreds of thousands of dollars in assets were seized, and 23 presumed traffickers were caught.

According to the writ issued on 13 June by the lower court of controlled substances in La Paz, 15 of the 23 individuals arrested have been taken to the maximum security prison in Chonchocoro. During the operation 84,500 grams of cocaine were seized.

Judges Victor Lopez Alcala and Renan Moreno Aviles filed against Luis Alberto Arteaga Seleme and Iver Daza Suarez, for manufacturing, trafficking, and transporting cocaine. They are also accused of illegal association to commit crime and are being held at the Chonchocoro prison.

The judges also filed against Emilio Arce Vidal, Robin Rosales Agreda, Horario Arroyo Bonilla, and Ruddy Yassir Pedrazas Suarez. They are accused of manufacturing and trafficking cocaine, and of illegal association to commit crime.

The following, who are at large, are also accused of the same crime: Juan Carlos Araoz Antelo, Johnny Lara, Clider Matienzo Rodriguez, Victor Rosales Agreda, Johnny Rosales Agreda, Fernando Cadario Garrido, Carlos Alfonso Gutierrrez, and Freddy Eguez.

The antidrug judges also began criminal proceedings against Juan Rosales Agreda who is accused of murder, cocaine trafficking, and association to commit crime, while Luis Fernando Bascope Rivera is accused of cocaine trafficking and association to commit crime.

The following are accused of the same crime: Alcides Bascope Chavez, Wilfredo Rosales Agreda, Pedro Fernandez Barrientos, Elvio Cespedes Anez, Mario Antonio Artega Seleme, and Medardo Vargas Callau.

William Rosales Suarez is accused of participating in trafficking and manufacturing of cocaine, and association to commit crime.

The judges issued an arrest warrant against the eight people who are still at large. The Ministry of Government, through its specialized organizations, is ordered to catch them.

The writ of indictment was forwarded to the La Paz Superior Court for approval, according to current legal dispositions.

Antidrug judge Justino Ugarte expressed satisfaction over the 2d. Court decision and said the Superior Court must ratify the measures.

"The Superior Criminal Court must approve the indictment issued by the antidrug judges who filed the accusation based on evidence of involvement," the criminal prosecutor said.

Beside dismantling three trafficking organizations, "Operation Trebol" allowed the seizure of assets estimated at several hundred thousand of dollars.

The following properties were seized in Santa Cruz: properties on Mutualista Avenue and Paragua Street, at 605 Cotoca Canal, at Km 12 of the old highway to Cochabamba, on the corner of the third beltway and Pedro Rivera Mendez Street, at the "Suto" condominium, on San Aurelio Avenue, and on Virgen de Cotoca Avenue.

According to the seizure records, 38 assorted vehicles were seized at two urban properties—Aurelio and Cotoca.

The police seized 22 vehicles at "Cotoca Automobile Sales," among them trucks, tractors, automobiles, vans, jeeps, and pickups. Likewise, 16 vehicles were seized at "San Aurelio Automobile Sales." Nine other automobiles were seized in different places.

Daily Summarizes 'Map of Poverty'

94SM0367A La Paz HOY in Spanish 15 May 94 p 5

[Article by Daymira Barriga Velarde: "Poverty Is Ours, and It Is Widespread"; first two paragraphs are editorial introduction]

[Text] An official report states that somewhat more than two thirds of the total population of Bolivia live in poverty.

About 37 percent of Bolivian families live in extreme poverty, 33 percent under conditions of moderate poverty, 13 percent are at the threshold of poverty, and barely 17 percent have their basic needs satisfied. This is the official picture of poverty in Bolivia, described in the "Mapa de la Pobreza" [Map of Poverty], prepared by the Unit for the Analysis of Social Policies (UDAPSO), the National Institute of Statistics (INE), the Population Policy Unit (UPP), and the Unit for the Analysis of Economic Policies (UDAPE).

Social inequalities in Bolivia are extensive, as extensive and dramatic as the poverty in which about 70 percent of the people of Bolivia live, or rather more than two thirds of the population. Meanwhile, more than one half million, or 640,000 people, are on the threshold of poverty, and only 17 percent of the Bolivian people, somewhat more than one million, are not poor.

Bolivia is not a country of beggars, as someone once defined it in a disparaging way. However, these data prove that the majority of the population of Bolivia, or 4.5 million people, live at an atrocious level of poverty. This is a high figure for this country, whose population was estimated at 6.4 million in 1992.

Details of These Numbers

The "Map of Poverty," prepared by UDAPSO, INE, UPP, and UDAPE, illustrates this study on the basis of data from the Census of the Population and Housing, which took 1.4 million family households as the national total, of which 1.3 million live in urban areas and 577,000 live in the countryside.

Poverty was measured on the basis of satisfying human needs for housing, services and basic needs, education, and health and social security. The study stated that the categories of housing, services, and basic needs relate to the way in which the family carries on its life, while education, health, and social security are related to the conditions of physical and mental development of persons.

The study added: "Levels of poverty in Bolivia are high. In 1992 a considerable proportion of the population, especially in rural areas, did not have its essential needs satisfied, as it did not have adequate access to such services and basic needs as education, health services, and housing."

Poor As Anyone

In 1992, 69.8 percent of the 1.4 million families surveyed were poor. This represents 70.5 percent of Bolivia's population, that is, 4.5 million out of 6.4 million people.

In the rural area, poverty affected 94 percent of all homes, or 2.3 million people living in 542,644 families. In the urban area poverty affected 51 percent of all homes, or 380,886 families—rather more than 1.7 million people.

According to these data, poverty was more extensive in smaller cities than in departmental capitals and in El Alto.

The report said: "Living conditions of the Bolivian people are, for the most part, poor, since many of the homes lack or are inadequately provided with basic cleanliness, living space, education, health, energy resources, and household equipment."

It continued: "About 74 percent of the homes do not have adequate water and sanitation and/or facilities for the disposal of human wastes. About 69 percent of the people live in overcrowded conditions. Some 66 percent show signs of educational shortcomings in terms of school attendance, years of schooling completed, and illiteracy."

The report stated: "About 53 percent of the families do not take adequate care of their health. Some 53 percent of private homes do not have access to electricity and/or an adequate fuel to cook with, and 49 percent of the homes are constructed of poor quality materials."

Differences Between the Countryside and the Cities

The study also brought out that poverty is more extensive and worse in the countryside, where shortages of facilities, as a whole, are significant, although the most immediate needs reflect basic standards of cleanliness.

About 94 percent of the homes in rural areas do not have adequate water and sanitation and/or proper means for the disposal of human wastes, as well as access to energy services. About 93 percent of the homes do not have access to electricity and/or appropriate kind of fuel to cook with. The report, entitled, the "Map of Poverty," referred to the fact that some 84 percent of all rural homes are built with poor quality materials.

In urban centers the greatest problems involve housing space. About 68 percent of families live in overcrowded conditions. Some 58 percent of homes in urban areas do not have adequate provisions for water, sanitation, and/or for the disposal of human wastes. About 51 percent of the families show some signs of educational deficiency, the report added.

The Census of the Poorest

The list of departments in terms of their poverty level is headed by Pando, Potosi, and Chuquisaca. Santa Cruz is the department with the least poverty, but almost 60 percent of the families in that department are poor.

The "Map of Poverty" states that in the Department of Pando 81 percent of the families are poor, compared to 80 percent in Potosi, and 77 percent in Beni and Cochabamba.

In the rest of the departments about 70 percent of the families are poor, with the exception of Santa Cruz, which has the lowest incidence of poverty. Some 58 percent of the families in that department are poor.

Of the four poorest departments three of them—Chuquisaca, Pando, and Potosi—have a high level of poverty. The report adds that poor families in these departments, on the average, fail to meet 45 percent of their basic needs in terms of minimum living conditions.

Classification of the Poor

The social classification of the poor shows that out of all Bolivian families—1.4 million in all—about 37 percent live under conditions of extreme poverty. About 32 percent of all families are destitute, while 5 percent live under conditions of marginal poverty.

The report prepared by UDAPSO, INE, UDAPE, and UPP said that this means that 2.1 million Bolivians live under conditions of extreme poverty. Seventy percent of their basic needs are not being met in terms of minimum living levels.

Furthermore, a large number, or 33 percent of the total number of families, live in moderate poverty. That is, something more than 1.9 million people, on the average, cover 75 percent of their minimum living requirements.

On the threshold of poverty are 13 percent of all families, or 787,907 people, who satisfy the minimum level of their basic needs. Only 17 percent of all families, or 915,593 persons, have their basic needs met. These people, on the average, satisfy 55 percent more than their basic, essential needs.

The Harsh Life in the Countryside

The official report states that the majority of families in rural areas—57 percent in all or 1.4 million people—live under conditions of extreme poverty. About 11 percent, or 265,118 people, live under marginal conditions. About 26 percent, or 633,258 people, live under conditions of moderate poverty. Only 6 percent, or 118,226 people, are not poor.

Within this latter group of people living in rural areas the families whose basic needs are met amount to barely 1.9 percent, while 4.1 percent of the total number of families are on the threshold of poverty.

In urban areas the extent of poverty is not as great, the study said.

About 34 percent of families living in urban areas, or 1.3 million people, live in moderate poverty. About 28 percent, or 884,107 people, are in the group whose basic needs are met. Some 20 percent, or 701,167 persons, live on the threshold of poverty. About 13 percent, or 427,970 persons, live in extreme poverty. Some 12 percent of the total number of families are destitute, and 0.5 percent live on the threshold of being destitute.

Roundup of Economic Reports

PY2306235594

[Editorial Report] The following is a compilation of reports on economic activities monitored through 23 June.

The World Bank and the International Development Association have granted $860 million to Bolivia over the past few years, of which $210 has been repaid, while the remaining $650 million will be paid back over the next 40 years. (La Paz HOY in Spanish 9 Jun 94 p 17)

On 15 June in Rome, the International Fund for Agricultural Development and the Bolivian Government signed a 7.6 million loan agreement designed to finance a development project for llama and alpaca breeders of the Andean Altiplano. The project includes 17 provinces in the departments of La Paz, Oruro, and Potosi, where 31,700 families are engaged in the breeding of llamas and alpacas. (La Paz LA RAZON in Spanish 16 Jun 94 p B8)

The Central Bank reported that international reserves had risen to $448 million by the first half of June, the highest level in the past 14 years. Freely available foreign

exchange reserves now total $434 million. (Santa Cruz EL MUNDO in Spanish 18 Jun 94 National Section p 1)

Carlos Vilaseca, president of the National Chamber of Customs Officers, said on 10 June that customs revenues registered a $200 million deficit last year as a result of the illegal smuggling of merchandise, which amounted to $800 million. During the Eighth Congress of Customs Officers, Vilaseca charged that customs officials carry out joint operations with smugglers, to whom they grant protection. (La Paz LA RAZON in Spanish 11 Jun 94 p B4)

Correction to 10th Workers' Congress Defends Coca Crops

PY2206152094

The following correction pertains to the item headlined "Tenth Workers Congress Defends Coca Crops" published in the 20 June Latin America DAILY REPORT on 48:

Column two, third paragraph, only sentence, reads: ...emergency zone to protect it from a possible militarization ... (rewording for clarity)

Brazil

Lula Discusses Military 'Redemocratization'

PY2406023894 Rio de Janeiro O GLOBO in Portuguese 23 Jun 94 p 5

[By special correspondent Jose Luiz Longo from Cape Town, South Africa]

[Text] The military issue was at the center of a meeting held yesterday by PT [Workers Party] presidential candidate Luiz Inacio Lula da Silva and Minister Jay Naidoo, the coordinator of the South African social reform program. Lula voiced concern over the redemocratization of the Armed Forces. He said he intends to set up rules based on constitutional provisions in coordination with military commanders.

Lula expressed his concern about redemocratizing the Armed Forces when Naidoo alluded to the extreme care with which the South African Government is addressing the issue, taking into account that security in South Africa continues to remain exclusively in the hands of the white minority.

Lula acknowledged that the situation in the Brazilian Armed Forces is different, because they have fewer resources than the South African military, whose budget will have to be streamlined to allow the government to increase investments in social areas.

Lula said: In our case, our military even have financial problems in procuring polish for their boots. Yet we share the same concern about democratizing the Armed Forces.

Before having dinner with Naidoo—a former president of COSATU [Congress of South African Trade Unions], a trade union organization similar to CUT [Sole Workers Center] in Brazil—Lula said he hopes to have the support of trade union organizations, especially CUT, to give greater dynamics to government-labor-management committees if he is elected president.

Lula said: Government-labor-management committees are important tools in relieving unions from merely channeling wage demands to addressing issues such as economic growth goals in our talks with the government and employers.

Editorial Views Dollar's Exchange Rate Tumble

PY2306170594 Sao Paulo FOLHA DE SAO PAULO in Portuguese 22 Jun 94 Section 1 p 2

[Editorial: "The Dollar Falls"]

[Text] The sharp drop of the dollar's foreign exchange rate with other international currencies during the past two days has been attributed to expectations of rising inflation in the United States due to the high price of commodities. The U.S. economic recovery has opened the way for possible new inflationary pressures. The Federal Reserve, or Fed, has been anticipating those pressures and increasing its interest rates during the year's first six months.

The price increase in raw materials is considered an indication that interest rates are still not high enough and will climb even more. The prospect was enough for the market to start dropping capital marked in dollars, expecting to buy them back later after an interest rate increase. That reluctance to keep dollars produced the drop in the foreign exchange rate.

It seems clear that those movements will result in changes, perhaps important changes, in the international financial scenario. Obviously, it is still early to make any definitive assessment, but everything indicates that after the turbulence there will be still higher interest rates in the United States.

The Federal Reserve's refusal to approve higher interest rates, despite the strong market pressure, produced the additional speculation that the monetary authority might be evaluating the possibility of a more permanent foreign exchange rate adjustment. The speculation continued even after U.S. Treasury Secretary Lloyd Bentsen said the United States was not interested in a devaluation, although it is a fact that the drop in the dollar price will benefit U.S. exports. If this is the case, interest rate increases would be smaller or authorities would, at least, take longer to implement them.

Brazil will not benefit from an increase in international interest rates. Higher foreign interest rates would reduce the margin making the national market attractive for foreign investors. Besides, high interest rates mean

higher costs to renegotiate the foreign debt, that is, higher costs for the Brazilian Government.

The effect of these eventual changes, however, will be slow to appear. The record volume of the country's reserves will give us a good margin for maneuvering, and the effect of a possible increase in the cost of renegotiating the foreign debt will be gradual. The impact on the Real Plan will be small, but we might have to anticipate future narrower margins in our economic policies.

PRC Health Minister Visits Brasilia

PY2406005294 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 23 Jun 94

[Report by Flavio Figueiredo from the Health Ministry in Brasilia]

[Text] The Brazilian Government may import medicines from the PRC. This was discussed today by Chinese Public Health Minister Chen Minzhang and Brazilian Health Ministry officials. The Chinese guarantee that the medicines will arrive in Brazil at prices below domestic ones. Minister Chen says China produces medicines with lower costs because they are produced on a large scale and the raw materials are obtained through advanced technologies. Health Secretary Adney Moraes said the import of Chinese medicines is a way to solve the problem of high medicine prices in Brazil. The Brazilian Government will examine the feasibility of the Chinese proposal.

Common Mercosur Tariff for Informatics Suggested

PY2306143894 Madrid EFE in Spanish 1852 GMT 22 Jun 94

[Text] Brasilia, 22 Jun (EFE)—The Brazilian Government has proposed to the four member countries of the Common Market of the South, Mercosur,—Argentina, Brazil, Paraguay, and Uruguay—a common external tariff below 20 percent for informatics and telecommunications products as of 2001.

Brazilian Ambassador Jose Arturo De Medeiros on 22 June told EFE that Brazil, which wants to protect its informatics industry, is willing to reduce its import tariffs, which currently are at 35 percent, to below 20 percent by 2001.

De Medeiros, a professional diplomat, is a member of the Brazilian delegation negotiating with the other Mercosur member countries on the common external tariffs Mercosur will impose on imports as of 1 January 1995, when Mercosur becomes a free trade zone.

The technical negotiations over a common external tariff, which should be ready by 15 July when the presidents of the Mercosur member countries meet in Buenos Aires, have agreed on almost 85 percent of products. The negotiations have, nonetheless, been paralyzed over vital subjects like petrochemical and especially informatics and telecommunications products.

With the new proposal presented 17 June during a technical meeting in Buenos Aires, Brazil expects the negotiations to make considerable progress and finish in three weeks.

According to the Brazilian proposal that apparently was viewed with interest by the other member countries' representatives, Brazil will reduce its import tariffs on informatics and telecommunications equipment until reaching a rate below 20 percent in 2001, which is the maximum allowed by Mercosur.

According to the same proposal, Argentina, Paraguay, and Uruguay—which import informatics and telecommunications equipment with minimum import tariffs (Argentina imports these products with a zero tariff)—will increase their tariffs until meeting the same level of Brazilian tariffs in 2001.

The Brazilian proposal, if accepted by its partners, will allow the negotiations over the common external tariff to conclude on time, but making an exception for capital, informatics, and telecommunications products.

Free trade and a common external tariff for 90 percent of products will be established among the four member countries as of 1995 and until 2001, the year when the exceptions will end and the common external tariff will be the same for all products for the four member countries.

Brazilian insistence on protecting its informatics industry had forced the Mercosur negotiators to declare that the tariffs among the four member countries would be the same only by 2006 and that it would be very difficult to reach an agreement in the informatics and telecommunications field.

According to the newspaper GAZETA MERCANTIL, the new Brazilian proposal was possible thanks to a concession granted by the national industry after a government request.

Argentina, Paraguay, and Uruguay must give an answer to the Brazilian proposal next week when the technical negotiators meet in Montevideo.

EXAME Poll Reflects Optimism of Businessmen

94SM0365D Sao Paulo EXAME in Portuguese 25 May 94 pp 20-21

[Article: "Defeat of the Cassandras"; introductory paragraph in boldface as published]

[Text] **When polled by EXAME, the business elite respond: the real is good, stability is not a dream, and the economy is going to grow.**

Attention, Cassandras: the following report is horrible news for you. Because the inescapable conclusion is this: the mania for thinking that things are going badly and tending to get even worse is out of style. EXAME took the pulse of the elite of the business world's elite—the

500 largest firms—on various subjects: elections, the economy, and inflation. Out of the total number of questionnaires sent out, 126 were returned for tabulation. That is a highly representative sample in polls of this kind. The results can be expressed in three words: optimism, optimism, and optimism (see the table below). The answers to the questionnaire sent to businessmen and executives of the country's leading companies are a kind of confession of faith. Faith in growth. Faith in stabilization. Faith in the plan created around former Minister Fernando Henrique Cardoso to defeat inflation. True, their faith is not all that great when the subject is the post-election scenario, but it would be an exaggeration to say that they foresee the apocalypse if Lula is elected.

"The economy will probably continue to grow regardless of who the next president is," says Stephen Kanitz, EXAME's consultant and the man in charge of the poll. "What may happen is that the rate of growth will be faster or slower depending on which candidate is elected." Kanitz uses a number of main arguments to back up that view. The first is that given their low level of indebtedness, Brazilian firms are fully capable of maintaining a cycle of prolonged growth. His second argument concerns the emancipation that the private sector has won from the state. "The businessmen have learned to turn around without the state," says Kanitz. "They no longer depend so much on Brasilia to make their decisions for them." Finally, in the opinion of Kanitz, the agreement signed with the bankers and the Real Plan take care of two problems whose solution requires that the government continue to play a crucial role: the foreign debt and the fight against inflation.

Repressed demand—That kind of optimism is echoed by several businessmen. One of them is Manoel Octavio Pereira Lopes, who is a stockholder in and president of Alcatel, the telecommunications giant. The firm he heads lost $30 million last year. Despite that, its investment program for 1994—on the order of $25 million—has continued unchanged. Pereira Lopes is among those who feel that the economy will probably grow by about 5 percent this year and then continue to expand next year "thanks to the economic plan." There are also those who mention other reasons in support of their optimism. "There is repressed demand in the infrastructure area that has reached its limit," says Roberto Muller, president of the ABB [Asea Brown Boveri]. "It is inevitable that from now on, business in that area is going to recover." In the opinion of Jose Marques, the firm's vice president, that prediction has a good chance of coming true. Reason: the possibility now opening up for partnerships between private capital and the public sector in areas such as electricity, which is the ABB's main field. That is also the reason why the ABB has not altered its plan to invest $20 million to modernize its equipment and increase its productivity this year.

As is natural in an economy as complex as Brazil's, there are different reactions in some sectors. Businessman Jacks Rabinovich, for example, who is one of the owners of the Vicunha textile group (and also owns an interest in businesses in the world of finance and iron and steel), prefers to be cautious in his predictions. Rabinovich believes that GDP [gross domestic product] will rise and that the Real Plan will be a success, but he detects a temporary cooling which he attributes to the introduction of the real. "Store owners are buying with URV's [units of real value], but they have to sell in real cruzeiros," he says. "That difference in currencies will end up causing a harmful gap." In his opinion, the economy today is being pulled by a few locomotives. The automobile industry, because of its formidable influence on GDP, is chief of among them, he says. "But I hope that with the arrival of the real, there will be a more homogeneous development of business," he adds. Incidentally, there is no lack of support for introduction of the new currency. As the poll figures show, nearly 10 out of 10 businessmen and executives consider the Real Plan superior to its predecessors. "At last we have a plan that respects contracts, relies on the strength of the market, and dispenses with arbitrary packages," says Paulo Ferreira, the Dow Group's vice president for chemicals in Latin America.

Poll Results*

Answer	Percent
By how much will the economy grow in 1994?	
Over 5 percent	12.1
Between 3 and 4.9 percent	62.2
Between 1 and 2.9 percent	24.3
Will not grow	1.4
If Lula wins, will the investment rate hold up?	
Yes	34.7
Will wait and see	62.5
In part	2.8
Is economic stability near?	
Yes	79.8
No	20.2
Is the Real Plan better than the previous plans?	
Better	95.9
Same	4.1
Who would make the best president?	
Fernando Henrique Cardoso	88.9
Maluf	4.2
Brito	4.1
Lula	1.4
Quercia	1.4

* This is how businessmen and executives responded to EXAME's poll of the country's 500 largest private companies—in percentages.

Premature departure—After being out of the country for two years, Ferreira returned in April after Dow moved its Latin American office here from Miami. He liked what he saw. "When I left, it was the impeachment

period, and people were exuding skepticism," he says. "Now it is easy to see that the situation has changed for the better and that society has matured a great deal." In his opinion, that new maturity is one of the main factors justifying optimism about the future. As far as a permanent stabilization of the economy is concerned, Ferreira warns that there are still some stages to go through. "What has been done so far is the equivalent of clearing off the table. Now it is necessary to set out the plates and provide the food." Among the things that still need to be done, Ferreira draws attention to measures making it possible to put the national accounts in order. His views on that subject agree with those of Rabinovich of Vicunha, Muller of the ABB, and Pereira Lopes of Alcatel. The latter three stress that long-term stabilization requires changes that must not perfunctory in any way. Chief among them is a persevering attack on the state's obesity. That plan has ended up being delayed by the fiasco of constitutional revision. "No matter who forms the new administration, those reforms cannot be postponed," says Pereira Lopes. "Society demands it."

Because Fernando Henrique has become publicly identified with that reformist talk, it is easy to understand why, in this poll by EXAME, he emerges as the candidate preferred by businessmen. "While he was minister, he took stands corresponding to what the country needs," says Ferreira. "The success of the economic plan will be his best platform." Marques of the ABB adds an argument in favor of Fernando Henrique, saying: "He has a solid presence in the legislative branch. And the next administration is going to need support in Congress to put through the pending reforms." The fact that Fernando Henrique is not doing so well in the polls does not seem to bother his supporters too much, at least for the present. Rabinovich, for example, feels that "a lot of water will flow under the bridge" between now and the elections. "It is too early to make any predictions now, because campaigning has not even started," he says.

Although clearly ahead among businessmen, candidate Fernando Henrique also stirs some criticism. "He should have stayed on as minister to carry out the plan," says Eugenio Staub, president of Gradiente. Staub feels that his departure from the ministry was premature, created an image of someone merely looking for votes, and compromised his credibility. Even worse, Staub feels that Fernando Henrique's actions as a candidate are distorting his political personality. "The alliance with the PFL [Liberal Front Party] is a contradiction with his past, as is his participation in pilgrimages in honor of Father Cicero," he says. Disappointed by those attitudes in someone he says is a personal friend, Staub has declared his neutrality. He even confesses to some liking for Lula's message. "Some of the things he says are pertinent," he says. "The big problem is not ideology but the question of whether Lula's team is competent to administer a country like Brazil."

Volume of investments—There seems to be unanimous opinion on one thing, however. Although no one fears a cataclysm, there is certainty regarding the impact that a possible victory by Lula will have on the volume of investments in our country. Even firms saying that they are inclined to make no changes in their investment plans—examples being Vicunha, Dow, the ABB, Gradiente, and Alcatel—call attention to the negative effects that a victory by Lula will have on the inflow of capital from abroad. "There are many choices in the international market," says Rabinovich, whose group this year will open a plant in Natal that absorbed investments totaling $150 million. "It is understandable that foreign investors should think twice before investing in Brazil if Lula wins." Kanitz agrees. He has no doubt that a victory by Fernando Henrique will be much more welcome abroad than one by the PT [Workers Party] candidate. Even Staub, who is not dying of love for the candidacy supported by the alliance between the PSDB [Brazilian Social Democracy Party] and the PFL, is not neglecting a few precautions. At this time of the year, Gradiente should be drawing up its three-year plan. But that project has been shelved until after the elections. Staub justifies the postponement by recourse to semantic subtleties. "It is not that we have decided to slam on the brakes," he says. "It's just that we have taken our foot off the accelerator."

Mines Ministry Signs Accord With Electric Companies

PY2306174094 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Jun 94

[Text] The Mines and Energy Ministry signed an agreement with Electrobras [Brazilian Electric Power Company, Inc.] subsidiaries for the implementation of a system permitting rapid repairs of transmission lines in case of breakdowns anywhere in the country, thus preventing outages.

The 37,600 km of energy transmission lines in the country will be linked to prevent outages and to permit rapid repairs in case of breakdowns in any single transmission line.

Mines and Energy Minister Alexis Stepanenko on 22 June signed an agreement with Electrobras subsidiaries to put the National System for the Transmission of Electric Energy [Sistema Nacional de Transmisao de Energia Eletrica], Sintrel, into operation.

According to the minister, the new system will permit reducing the cost of the energy reaching consumers:

[Begin Stepanenko recording] The National System for the Transmission of Electric Energy in the near future will permit consumers to select their energy supplier and look for the most convenient or cheapest energy offer. [end recording]

Minister Stepanenko also said the National System for the Transmission of Electric Energy is in accordance with an international trend seeking to rationalize and modernize energy systems.

Roundup of Economic Reports

PY2106220094

[Editorial Report] The following is a compilation of reports on economic activities in Brazil monitored through 16 June.

PRODUCTION

According to CNI, the National Confederation of Industries, Brazilian industrial sales dropped by 15.3 percent in April 1994 in comparison with the previous month, and by 11.4 percent in comparison with April 1993, the greatest such slip recorded by CNI since it began operations in 1992. CNI economists believe that the strong decline in sales is due to the conversion of the economy into real value units, URV's, which has caused much uncertainty, and also to the government decision to maintain high interest rates, thus inhibiting consumption. As a consequence, installed industrial capacity dropped from 76.7 percent in March to 74.8 percent in April. According to the Rio de Janeiro State Federation of Industries, Firjan, industrial production in Rio de Janeiro dropped by 6.4 percent during the January-May period in comparison with the same period last year. (Rio de Janeiro O GLOBO in Portuguese 15 Jun 94 p 25)

The Brazilian Institute of Geography and Statistics, IBGE, has reported that in February industrial production dropped in northeastern Brazil by 6.8 percent, while it increased by 5.5 percent in Sao Paulo and by 1.4 percent in southern Brazil. In Sao Paulo, industrial production has increased by 7.8 percent since the beginning of the year, and by 12.1 percent in the past 12 months. This increase in Sao Paulo is due mainly to a 13.6 percent productivity increase in the metal industry in February, 10.3 percent in mechanics, 27.6 percent in transportation materials, and a 9.4 percent increase in the chemical industry. Productivity nonetheless dropped by 14.5 percent in plastics, 7.4 percent in textiles, and 8.8 percent in the food products industries during the same month in Sao Paulo. In northeastern Brazil, industrial productivity has dropped by 6.6 percent since the beginning of the year, and by 4 percent in the past 12 months. In February in the northeast, industrial production dropped by 17.3 percent in the chemical industry, 7.1 percent in the food industry, and 19.8 percent in the cardboard industry. Industrial production nonetheless increased by 4.6 percent in the metal industry, 2.8 percent in mineral extraction, and 3.7 percent in the textile industry during the same month. In February, industrial production dropped by 21.1 percent in Pernambuco, 6.6 percent in Bahia, 0.1 percent in Rio de Janeiro, 4.5 percent in Santa Catarina, and 1.8 percent in Rio Grande do Sul. In comparing the January-February period of this year with that of 1993, industrial production increased by 12.4 percent in Minas Gerais, by 8.8 percent in Parana, by 7.8 percent in Sao Paulo, by 4.9 percent in southern Brazil, by 2.3 percent in Rio Grande do Sul, and by 0.5 percent in Santa Catarina. (Sao Paulo AGENCIA ESTADO in Portuguese 2104 GMT 10 Jun 94)

Sales by Rio de Janeiro industries dropped by 18.3 percent in May in comparison with the same month of last year. They nonetheless increased by 0.7 percent in comparison with April. These figures were supplied by Firjan, which carried out a study among 200 factories from 13 different industries, representing nearly 50 percent of employed labor in Rio de Janeiro State. (Sao Paulo AGENCIA ESTADO in Portuguese 2337 GMT 14 Jun 94)

According to the GAZETA MERCANTIL Information Center, textile companies have filed for bankruptcy in Sao Paulo and Rio de Janeiro courts as follows: 77 in May 1994, 65 in April, 88 in March, 52 in February, and 29 in January; and in 1993, 44 in December and 69 in November. (Sao Paulo GAZETA MERCANTIL in Portuguese 9 Jun 94 p 31)

EXPORTS

Foreign Trade Secretary Jorge Chami Batista has reported that Brazilian exports amounted to $3.86 billion in May, which is 32.35 percent greater than the same month last year. He said that in the past five months Brazilian exports have reached a total of $16.37 billion, which represents a 7.81 percent increase in comparison with the same period in 1993. He reported that sales to Argentina increased by 24.1 percent during the January-May period in comparison with the same period in 1993, while sales to Japan dropped by 14.53 percent during the same period. The exports that experienced the greatest increase during the January-May period were soybeans, which increased by 58.22 percent; green coffee and roasted coffee beans, 34.93 percent; orange juice, 48 percent; and spare automobile parts, 17.77 percent. For the same period the exports experiencing the greatest drops were iron, 0.98 percent; tobacco, 38.4 percent; laminated iron and steel sheets, 24.37 percent; and aluminum ore, 14.28 percent. The main clients of Brazil during the January-May period were: the United States, which purchased goods worth a total of $3.39 billion; Argentina, $1.55 billion; the Netherlands, $1.31 billion; Japan, $883 million; Germany, $723 million; and Italy, $612 million. (Sao Paulo AGENCIA ESTADO in Portuguese 1911 GMT 13 Jun 94)

FOREIGN INVESTMENT

Druing a seminar on the Argentine capital market and economy held on 8 June in Sao Paulo, Argentine National Securities Commission, CNV, Vice President Francisco Guilhermo Susmel announced that Argentine investment funds have been authorized to invest 100 percent of their assets in Brazilian shares. Argentine investment funds had previously been authorized to invest only 25 percent of their assets in foreign companies. Brazilian Securities and Exchange Commission,

CVM, President Thomas Tosta de Sa reported that both the CNV and the CVM are working together to unify the rules for Argentine and Brazilian investment funds within the framework of the Common Market of the South. (Sao Paulo GAZETA MERCANTIL in Portuguese 9 Jun 94 p 20)

The balance of foreign capital invested in Brazil, mainly in the stock exchanges, was $826.07 million in May, representing a 90 percent increase in relation to April. This figure is the result of an inflow of $1.53 billion and an outflow of $706.08 million. During the January-May period foreign capital inflow amounted to a total of $8.35 billion while outflow was $5.55 billion, yielding a positive balance of $2.79 billion. These figures were released on 15 June by the CVM, which also reported that foreign investments were distributed in the following manner in Brazil: 67.91 percent in the stock exchange, 7.67 percent in by-products, 16.07 percent in bonds, 8.39 percent in privatization papers, and 0.05 percent in Financial Investment Funds, FAF. By decision of the economic team, foreign investors have been forbidden from entering the money market since mid-1993. As for the origin of capital, 33.6 percent of the investments come from North America, 31 percent from Central America, 11.9 percent from South America, 22.2 percent from Europe, and 1.3 percent from Asia and Oceania. As for the investment institutions, in May 38.8 percent of these were banks, 31 percent brokers, 29.7 percent trusts and pension funds, and 0.5 percent nonprofit financial institutions. According to the CVM, the largest net asset administrators are the following banks: Chase Manhattan Bank, Garantia, Citibank DTVM, Boston, Pactual, Itau, Economico CCVM, Matrix DTVM, and Unibanco. Three new investors were registered last month with their own funding portfolios, and two others in collective portfolios, increasing the number of investors operating in Brazil to 221 for those with their own portfolios and 166 for those who operate in collective portfolios. (Sao Paulo AGENCIA ESTADO in Portuguese 2146 GMT 15 Jun 94)

PRIVATIZATION

On 14 June President Itamar Franco signed a provisional measure authorizing a loan of $11 million for the Lloyd Brazilian State Shipping Company, and providing for the implementation of an economic, financial, and operational streamlining of the company so that it can again be put up for auction in 90 days. Two auctions have already been held, but failed due to a lack of interested clients. The loan is meant to pay Lloyd's debts abroad, and for the release of two ships that are being withheld in the port of London. In the past four years the Brazilian Government has released $40 million to streamline the Lloyd company. According to the provisional measure, Lloyd should immediately sell for cash all the assets needed to repay its loans. The government is thus practically forcing Lloyd to sell one of its ships. The money collected from this sale must be deposited in the BNDES bank to the order of the Social and Merchant Navy Fund, where the funds for Lloyd were obtained. The two Lloyd ships must be auctioned on 17 June. (Sao Paulo AGENCIA ESTADO in Portuguese 2330 GMT 13 Jun 94)

Ricardo Figueiro, chief of the National Privatization Program, has announced auction dates for eight subsidiary companies of the Camacari Petrochemical Complex. This means that the voting shares owed by Petrobras Chemical Corporation, Petroquisa, in the Northeastern Petrochemical Company, Copene, which is currently valued at $1.2 billion, will be auctioned next 24 August with a base price of $369 million. Petroquisa's shares in Acrinor and Coperbo will be the first to be auctioned, on 26 July, with a base price of $11 million and $23 million respectively. Then it will the turn of Petroquisa's shares in Nitrocarbono, with a base price of $23 million, which will be auctioned on 28 July; Politeno, with a base price of $40 million, on 2 August; Ciquine and Polialden, with a base price of $21 and $15 million respectively, on 6 August; and EDN, with a base price of $9 million, on 11 August. Finally, Figueiro said that the Lloyd Brazilian State Shipping Company will be auctioned on 29 July. (Sao Paulo AGENCIA ESTADO in Portuguese 2035 GMT 14 Jun 94)

INFLATION

The Getulio Vargas Foundation, FGV, has reported that prices in URV's are dropping. The General Price Index in URV's, which is called IGP 1-URV, dropped by 1.88 percent in May and by 0.09 percent in April. The accumulated inflation in IGP 1-URV since the beginning of the year is 4.74 percent, and in the past 12 months 13.94 percent. The Wholesale Price Index in URV's, IPA 1-URV, dropped by 1.42 percent in April and by 3.73 percent in May. The IPA 1-URV has increased 0.81 percent so far this year. The Consumer Price Index in URV's, IPC 1-URV, increased by 0.56 percent in May and 1.65 percent in April. So far this year the accumulated IPC 1-URV has increased by 7.67 percent. The National Construction Cost Index in URV's, INCC 1-URV, increased by 1.21 percent in May and 7.41 percent in April. So far this year the accumulated inflation in INCC 1-URV is 19.27 percent. (Sao Paulo AGENCIA ESTADO in Portuguese 2222 GMT 10 Jun 94)

DOMESTIC SUPPLY

The expectations created by the implementation of the real have led many cattle ranchers to leave their beef cattle in the pastures, making beef prices jump by 30.56 percent in 30 days. According to the Commodities and Futures Market, the price of one 32-pound arroba of beef in Sao Paulo increased from $15.29 on 13 May to $21.34 on 13 June. The price in butcher shops of first and second class beef have increased by 85 and 135 percent respectively in the past 30 days. (Sao Paulo AGENCIA ESTADO in Portuguese 2246 GMT 13 Jun 94)

IMPORT TAXES

The government has passed three provisions reducing the import taxes on three products. As of 1 July the import tax on all kinds of beef imports will be reduced from 10 percent to zero. According to Finance Ministry experts, the measure was adopted to safeguard a domestic supply problem and to prevent price increases now that the cattle slaughtering season is ending. The government also reduced the import tax on paper wrappings, craft paper, and cardboard from 10 and 15 percent to 2 percent to counter recent unjustified price increases in the domestic market. The third provision benefits a single company, which imports a synthetic polyester fiber sponge to replace the domestically used steel sponge; the import tariff dropped from 5 percent to zero. (Sao Paulo AGENCIA ESTADO in Portuguese 2310 GMT 14 Jun 94)

AGRICULTURAL LOANS

The National Bank for Economic and Social Development, BNDES, has reported that it granted $175 million worth of financing to 471 farming cooperatives between January 1991 and April 1994. Some of the loans granted by the BNDES were meant for: the Itambe Program to increase the milk cattle herds of 3,000 farmers; the modernization of pork farms through the genetic improvement of the animals and productivity increases; the treatment of liquid wastes in keeping with environmental laws; and the installation of a vegetable oil extraction plant with the capacity to process 1,200 tonnes of soybeans in Guarapuava, Parana. (Sao Paulo AGENCIA ESTADO in Portuguese 2202 GMT 10 Jun 94)

SAO PAULO CONSUMPTION

According to the Sao Paulo Commerce Association and the Sao Paulo Commerce Federation, the consumption index in Sao Paulo dropped in May. Market experts are thus ruling out an explosion of consumption with the implementation of the real. According to the Sao Paulo Commerce Federation, food consumption dropped by 15.48 percent in April. It also reports that the Cost of Living Index, ICV, showed that prices, after being converted into URV's and reaching a peak increase, then dropped by 2.22 percent during the 1 March to 15 April period. Jose Silvestre Prado de Oliveira, economist from the Inter-Union Department for Statistics and Socioeconomic Studies, Dieese, says he does not expect people to rush to the supermarkets with the implementation of the real, as happened with the Cruzado Plan, because, he said, "the minimum salary is currently worth half what it was worth in 1986, and purchasing power has thus diminished." (Sao Paulo AGENCIA ESTADO in Portuguese 2256 GMT 13 Jun 94)

SAO PAULO REVENUES

Tax collection has shrunk in the state of Sao Paulo, and will be very difficult to recover. One of the reasons for this is that new industries no longer choose to open there because of high costs, the fiscal battle among the less industrialized states, and changes in the law on Goods and Services Movement Tax, ICMS. In 1990 Sao Paulo collected $10.6 billion worth of ICMS; this dropped to $7.5 billion in 1993. In 1988 Sao Paulo collected 43 percent of the entire country's ICMS; this has fallen to 38 percent this year. Sao Paulo Finance Secretary adviser Clovis Panzarini said that Sao Paulo will hardly recover from the fiscal battle among states. (Sao Paulo GAZETA MERCANTIL in Portuguese 9 Jun 94 p 1)

REAL IMPLEMENTATION CAMPAIGN

On 15 June Finance Minister Rubens Ricupero will officially launch the government campaign to inform the public about the implementation of the real currency. One of the measures is the implementation of a telephone hotline through which any citizen can obtain information on the changes that the new currency will make in people's lives, such as in paying bills next month. The 10 Central Bank branches disseminated throughout the country will distribute 16 million leaflets and 1.4 million posters describing the main characteristics of the real among all commercial bank agencies, lottery houses, bus stations, and shopping centers. People will also be able to send free telegrams to the Central Bank asking questions about the real. The answers will be transmitted by the "Voz do Brasil" program on a national radio hookup. The Central Bank is also preparing 5 million pamphlets with questions and answers about the real, which will be distributed on 26 June, and in the main Sunday newspaper editions as well. The Central Bank is also preparing special leaflets on the real for small businessmen. The campaign to explain the implementation of the real also includes interviews and programs that will be transmitted daily through the "Radiobras" national broadcasting network. (Sao Paulo AGENCIA ESTADO in Portuguese 2305 GMT 14 Jun 94)

Chile

Communique Confirms Cubans' Departure From Consulate

PY2406010494 Madrid EFE in Spanish 2353 GMT 23 Jun 94

[Text] Santiago, 23 Jun (EFE)—The Chilean Foreign Ministry has confirmed that the eight Cubans—six men, one woman, and one child—who had been occupying the Chilean Consulate in Havana since 15 June voluntarily left the consulate today.

This is reported in an official communique disclosed by Fernando Reyes Matta, Chilean Foreign Ministry Cultural and Information Affairs Department director.

The text of the communique states: "Through its Foreign Ministry, the Cuban Government has offered guarantees to the Chilean Government that these people will not be subjected to reprisals because of their illegal entrance into the consulate building. It also made assurances that

this incident would not be used as an aggravating circumstance in any possible pending cases that these persons could be prosecuted for."

The communique adds: "Before their departure from the Chilean Consulate, the eight persons handed a declaration to the Chilean consul general, Ambassador Patricio Pozo Ruiz, in which they state that they are voluntarily leaving the consulate office. They also express their gratitude for the treatment they received during their stay."

The Chilean Government's official declaration concludes by stating: "In addition to expressing its satisfaction over the resolution of the situation affecting our consular mission and the cooperation rendered by Cuban officials, the Foreign Ministry wishes to explain that the consulate general offered protection exclusively for humanitarian reasons; and therefore under no circumstance should this action be interpreted as a granting of asylum, which was uncalled for in this case."

Chilean President Eduardo Frei and Cuban President Fidel Castro had discussed the situation created by the entrance of eight Cubans into the Chilean Consulate in Havana during a meeting held within the framework of the recent Fourth Ibero-American Summit in Cartagena, Colombia.

During a news conference, Castro stated that the issue was subject to the negotiations undertaken by the foreign ministries of the two countries.

In Santiago, official Chilean sources had stated that the situation could continue because in view of the previous occupations of the Belgian and German Embassies, the Cuban Government had announced it would not issue exit permits. There was hope, however, of finding a solution prior to Cuban Foreign Minister Roberto Robaina's visit to Chile, which is scheduled to take place in August.

Roundup of Economic Reports

PY2406001794

[Editorial Report] The following is a compilation of reports on economic activities monitored through 23 June.

The Central Bank's net international reserves increased $98.4 million in May, raising this year's cumulative increase to $728 million and the total reserve stock to $10.4866 billion. (Santiago ESTRATEGIA in Spanish 8 Jun 94 p 10)

The Argentine consortiums Techint and Comercial La Plata will, along with Lone Star from the United States, participate in the construction and operation of a gas pipeline linking Mendoza Province, Argentina, with Santiago de Chile through the Andean mountain range. The Gasandes company, which is in charge of the project, reported that $560 million will be invested in the construction of the gas pipeline and assembly of the distribution system. (Madrid EFE in Spanish 1720 GMT 22 Jun 94)

The Central Bank has reported that the trade balance registered a $334.2 million surplus from January through the first half of May, the highest such accumulated surplus since December 1992, with exports of $3.9001 billion and imports of $3.5659 billion. Exports increased 5.6 percent as compared with the same period last year, while imports dropped by 1.5 percent. The leading exports include $1.5417 billion worth of mining products; $720.2 million in agricultural, livestock and sea products; and $1.6382 billion in industrial products. (Santiago LA TERCERA DE LA HORA in Spanish 8 Jun 94 Economic Section p 1)

Miguel Basch, an expert from the University of Chile's Economics Department, said that the wealthiest 20 percent of Chileans earned 55 percent of the country's total income in 1980 and 56.9 percent in 1991, while the poorest 20 percent accounted for 4.6 percent of national income in 1980, a figure which only rose to 4.7 percent in 1991. A poll conducted in 1992 showed that the monthly income of the poorest 20 percent was 30,000 pesos, or $70, in 1987, and 43,500 pesos or $100 in 1992. According to official figures over 4 million people are considered poor, of which 1.2 million are destitute. (Madrid EFE in Spanish 1635 GMT 16 Jun 94)

Colombia

Samper Denies 'False' Report on Drug Funds

PA2406123394 Santa Fe de Bogota Emisoras Caracol Network in Spanish 0405 GMT 24 Jun 94

[Text] An article published by Miami's EL NUEVO HERALD has made accusations in the disturbing case of the narco-cassette tapes, according to which drug trafficking groups made donations to the campaign of President-elect Ernesto Samper. With the case still under investigation, EL NUEVO HERALD added things that have not been alleged here in Colombia.

In turn, President-elect Ernesto Samper sent the following letter to the editors of EL NUEVO HERALD—Messrs. (David Lorenz), (Bob Scribford), and (Sandra Keys)—and Roberto Suarez, a reporter for THE MIAMI HERALD and EL NUEVO HERALD:

Dear Gentlemen: With suprise and indignation I read today the report that appeared in EL NUEVO HERALD, according to which the U.S. Government has confirmed I received money from the Cali Cartel for my electoral campaign. In addition, the report presents a totally false story that contains slanderous remarks I am not willing to let go unchallenged, not only for the sake of my own dignity but for that of all of Colombia.

I have never received money from any criminal organization to fund my political activities, as demonstrated by

my campaign ledgers. These ledgers show that we carefully monitored the origin of campaign funds.

As president-elect of all citizens of Colombia, I renounce the article published today, and I demand that you correct the false information in this report, which damages my honor and the honor of my country.

[Signed] Yours Truly, Ernesto Samper Pizano

Alleged Northern Valley Trafficker Arrested

PA2406033994 Paris AFP in Spanish 0245 GMT 24 Jun 95

[Text] Santa Fe de Bogota, 23 Jun (AFP)—Citing Cali official spokesmen, RCN Radio Network has reported that Humberto Jairo Urdinola Perea, an alleged and notorious drug trafficker, who is a member of the so-called Northern Valley Cartel, was arrested on 23 June along with five other people.

The source said Urdinola Perea, a cousin of the Urdinola Grajales brothers who are the imprisoned leaders of the Northern Valley Cartel, was arrested in possession of 90 kg of high-purity cocaine and checks for very large amounts of money. He was arrested during a raid of a drug store he owns in Roldanillo Municipality, Valle Department.

The radio station also reported that Urdinola Perea, 38, and his five companions were arrested by the Joint Operations Command Unit. They were handed over to the regional prosecutor's office.

Ecuador

Indians Occupy Church To Protest Emergency Decree

PA2306185594 Madrid EFE in Spanish 1704 GMT 23 Jun 94

[Text] Quito, 23 Jun (EFE)—Approximately 100 Ecuadoran Indians are refusing to leave the cathedral in Riobamba, capital of the Andean province of Chimborazo, to protest the state of emergency declared in Ecuador on Tuesday.

The spokesman for the Curia of Riobamba, a city located 188 km south of Quito, told EFE that church authorities had allowed Indians to spend the night in this church, as well as in others, over the past few days. Today, however, the Indians decided to formally occupy the cathedral.

The spokesman, who asked to remain anonymous, added: "The Riobamba Curia supports the Indians, and tomorrow Victor Corral, the bishop of the dioceses, will confirm this position upon his return from Rome."

The Indians began protests on 13 June in most provinces to oppose an agrarian law that was sanctioned on that same day, calling the law "illegal, racist, and ill-advised."

The Confederation of Indian Nationalities of Ecuador [Conaie] and unions grouped under the United Workers Front decided the night before to combat the "state of mobilization"jointly, one of the elements of the "state of emergency" that was based on provisions in the National Security Law.

Within this context, the Indians and union members scheduled joint marches and demonstrations in the days leading up to a general strike called for Tuesday.

A Conaie leader said, "We have fallen back to devise new strategies," while explaining the virtual nonexistence of confrontation with the military, which the state has authorized to open roads that have been blocked by the Indians for 10 days.

Court Rules Agricultural Law Unconstitutional

PA2306215094 Paris AFP in Spanish 2006 GMT 23 Jun 94

[Text] Quito, 23 Jun (AFP)—The Ecuadoran Court of Constitutional Guarantees (TGC) unanimously declared on Thursday the unconstitutionality of the controversial Agriculture Development Law, which was approved on Monday of last week, after which thousands of Indians began blocking roads and highways.

TGC President Carlos Jaramillo said that on this occasion the Constitutional Court of the Supreme Court, the first appeals court and the definitive court on constitutional matters "will not have any pretext to challenge the TGC resolution, because this court has six legally appointed members."

The leftist Democratic People's Movement (MPD) asked the TGC to declare the controversial law unconstitutional. The Confederation of Indian Nationalities of Ecuador (Conaie) did the same on Tuesday.

The resolution is aimed at totally suspending the law, which was hastily approved by right-wing deputies, as well as by deputies from the ruling party, who control the Ecuadoran parliament. The law was finally signed by the rightist head of state, Sixto Duran Ballen, who is in his seventies.

The resolution was handed over to the MPD and Conaie, as well as to the president. The case documents were also turned over to the Constitutional Court of the Supreme Court so that it may issue its final ruling, which cannot be appealed.

The Indian protests left a total of at least five peasants dead, and beginning early Wednesday morning the Army cleared the Andean and Amazon highways of the barricades that had been erected there, which had paralyzed the country's transportation system for 11 days causing a shortage of food in the cities.

TGC Suspends Agrarian Law; 7 Dead

PA2306230394 Madrid EFE in Spanish 2020 GMT 23 Jun 94

[Text] Quito, 23 Jun (EFE)—Three Ecuadoran Indians were killed in clashes with military forces, who were enforcing the state of emergency and clearing the country's highways, Legislator Maria Eugenia Lima has stated.

The highways have been blocked since 13 June by Indians protesting the recent approval of an agrarian law. The agrarian law was declared unconstitutional in the past few hours.

Legislator Lima reported today that two of the three people were killed last night in the Andean town of Guamote, Chimborazo Province, some 180 km south of Quito, when soldiers were evicting a group of Indians from a church.

Guamote is near the city of Riobamba. The cathedral in the city of Riobamba was occupied this morning by 100 Indians who are supported by Victor Corral, bishop of the diocese. A church spokesperson told EFE that Victor Corral will reiterate his support for the Indians upon his return from Rome tomorrow.

Luis Macas, Quechua leader and president of the Confederation of Indian Nationalities of Ecuador (Conaie), said the third Indian was killed last night in the Andean province of Tungurahua, some 110 km from Quito, when soldiers were forcing Indians to return to their communities.

Last week, the Conaie reported that three other Indians were killed in Canar Province, which is farther south of Tungurahua and Chimborazo. The Conaie said they were "victims of paramilitary landlords." Other reports, however, attributed the deaths to merchants who claim their stores had been looted by demonstrators.

The Conaie also reported previously that an Indian was killed in Tungurahua. According to press reports, he was struck by a driver who attempted to evade the barricades.

The incidents occurred 48 hours after the state of emergency was declared Tuesday by Conservative President Sixto Duran Ballen, who is 73 years old.

Immediately after the deaths were reported, increasing to seven the number of dead since the protests began on Monday of last week, the Constitutional Guarantees Tribunal (TGC) suspended the provisions of the agrarian law, declaring it unconstitutional.

Carlos Jaramillo, TGC president, said the six tribunal members decided unanimously "to totally suspend the provisions of the law because it was found to have flaws in form and substance."

"The law was declared unconstitutional and its provisions were suspended. I have arranged to send the TGC resolution to the Supreme Court immediately so that the law will be definitively suspended," Jaramillo added.

Indians Seek Repeal

PA2406012394 Quito Voz de los Andes in Spanish 2300 GMT 23 Jun 94

[From "The Voz Andes Newscast"]

[Text] Legislator Maria Eugenia Lima has asserted that three Ecuadoran Indians were killed in clashes with soldiers who were enforcing the state of emergency by clearing the country's highways.

She said that two of the three people were killed when soldiers evicted a group of Indians from a Catholic church in Guamote, Chimborazo Province, last night. The Guamote church was occupied by approximately 100 Indians early this morning. The Indians have the support of Victor Corral, the bishop of the diocese.

Luis Macas, the president of the Confederation of Indian Nationalities of Ecuador, Conaie, said that the third death occurred when soldiers forced the Indians to return to their communities in Tungurahua Province last night. Conaie reported last week that three other Indians had been killed by paramilitary personnel who work for land owners in Canar Province; however, other reports attribute those deaths to merchants who charged that their stores had been looted by demonstrators. Conaie also reported the first death of an Indian in Tungurahua, who was killed by a driver attempting to evade the barricades. These events took place 18 hours after the state of emergency was declared. In total, seven people have been killed.

Meanwhile, the Court of Constitutional Guarantees, TGC, declared the law unconstitutional and suspended it. TGC President Carlos Jaramillo said the six tribunal members had unanimously resolved to suspend the law completely because it contained flaws of form and substance. The TGC declared the law unconstitutional and suspended it. Carlos Jaramillo said that he ordered the resolution to be sent immediately to the Supreme Court in order for the law to definitely be suspended.

Indians have charged that they have been repressed and assert that they will not quit until the law is repealed. Conaie and Episcopal Conference Indians are trying to start a dialogue to resolve the crisis started by the agrarian law. Peasant leaders have confirmed that they will not end the revolt until the law is repealed.

[Begin unidentified peasant leader recording] We know that eight comrades received blows and were injured in Chimborazo Province. We also know that helicopters are bombing Azuay and Guayas Provinces. Those are actions against our comrades [words indistinct]. We totally reject the mobilization decree, which has exacerbated the conflict instead of resolving it. We know Article No. 79 of the Constitution stipulates that

national mobilization can only be decreed in the event of an international conflict. [end recording]

The Indians also charged that they have been victims of acts of aggression by the military and asked that the TGC repeal the mobilization decree issued by President Duran Ballen.

President: Troop Mobilizations To Continue

PA2406015294 Quito Voz de los Andes in Spanish 2300 GMT 23 Jun 94

[From "The Voz Andes Newscast"]

[Text] Luis Trujillo, president of the Chamber of Commerce, has said that the blockade, which ended yesterday after the Army stepped in, caused losses to agricultural firms because they were unable to take their products to markets. Trujillo said: We have asked companies to inventory their losses. We can anticipate that the economic losses exceed $200 million.

Many cities did not have communications for over one week during the strike staged by the Confederation of Indian Nationalities of Ecuador, Conaie, to protest the recent approval of the agrarian reforms law. The blockade caused lack of food supplies in some cities and it led to clashes between demonstrators and residents who were affected by the blockade. As a result of these clashes, four people were killed and 10 were wounded.

Trujillo says there is concern among businessmen about the losses they have sustained. We want to make sure the country has the necessary guarantees to allow the companies to operate, he said.

President Sixto Duran Ballen, who declared a state of military emergency on Tuesday to quell the Indian demonstrations, said the Army will stay on the streets. We will maintain troop mobilization as long as necessary, Duran Ballen told newsmen. Duran Ballen said that the Army reopened highways where many people were trapped for several days and that the public forces had truly reestablished the flow of vehicles.

The president said it is necessary to maintain the state of militarization because of the threat by several organizations joining the Indian movement. The president said that other organizations had announced strikes in support of the Indians.

The country's largest labor organization has called for a general 24-hour strike this coming Tuesday to support the Indian protest movement. The United Workers Front, FUT, called a strike to demand that the government meet the demands of the workers, the Indians, and peasants. A FUT communique says it demands the repeal of the agrarian law, among a list of demands to improve the living standards of the people.

President Sixto Duran Ballen said the law cannot be repealed, because it was approved by the executive and legislative branches jointly and its elimination would leave all agricultural activities without a regulation framework.

Conaie President Luis Macas said the Indian organizations will continue to protest the new law, which they consider harmful to their interests. According to several Indian organizations, the new law eliminates agrarian reform achievements and authorizes the government to confiscate properties currently held by Indian to turn them over to wealthy landlords.

Democratic Left Asks for Government-Indian Dialogue

PA2406012794 Quito Voz de los Andes in Spanish 2300 GMT 23 Jun 94

[From "The Voz Andes Newscast"]

[Text] The Democratic Left party is requesting a sincere dialogue between Indians and the government. The Democratic Left has criticized the government and the Social Christian Party on the agrarian law. The Democratic Left says the country currently is in a situation of increasing violence, which leads to a delicate security situation. The Democratic Left says that the agrarian law should be repealed in order to pave the way for a sincere dialogue.

[Begin recording of unidentified speaker] I want to say that the Democratic Left warned well in advance of the danger of imposing on the Indians, who are our fellow countrymen, a bill benefiting the traditionally privileged groups, who are represented in this case by Agriculture Minister Mariano Gonzalez. We think it is time for the government to seriously consider the measures it has adopted and to find adequate channels for restoring tranquillity in the country. [end recording]

The Democratic Left has stated its support of the Confederation of Indian Nationaliaties of Ecuador. It does not agree, however, with the violence and acts of vandalism promoted by some Indians in the Ecuadoran mountain provinces.

Indian Affairs Secretary Defines Policy

94SM0373A Quito HOY in Spanish 29 Apr 94 p 6A

[Interview with Luis Felipe Duchicela, National Secretary for Indian Affairs and Ethnic Minorities, in Guayaquil; date not given: "Above the Differences"]

[Text] Duchicela intends to seek Indian unity. "I have good friends within the Indian leadership, such as Luis Macas, Bolivar Tapuy, and Ampam Karakras," the new government official declared.

Guayaquil—"The fact that we are descendants of royalty was not the reason the government sought us out," Luis Felipe Duchicela Shyri XXVIII, the recently appointed

National Secretary of Indian Affairs and Ethnic Minorities, told HOY as he gave our newspaper a detailed explanation of the policy he proposes to follow as head of that secretariat.

"I shall carry out a policy that is not linked to any political sector, religious or political," he said. "I shall seek the welfare of the Indian sector and of the nation in general. My policy will be to work hard in behalf of the Indian population, and to coordinate projects and efforts with the other cabinet ministries and governmental and nongovernmental institutions—such as foundations—with a view to implementing this program in the Indian sector."

He emphasized that his secretariat will make certain that the resources allocated by the government for projects in the Indian sector will actually reach those who most need them.

"At the same time," he added, "we shall succeed in strengthening our nation's credibility in the eyes of the international institutions that provide financing for social and economic development."

The interview was conducted as follows:

[HOY] Do you acknowledge that there is disunity in the Indian sector?

[Duchicela] Definitely. That is precisely why the guiding principle of the Secretariat will be to avoid politicization or capture by this or that political movement, and instead to remain above politics and above the doctrines that the various religious sects are imposing on the Indian population.

[HOY] How can the unity of the Indian sector be achieved?

[Duchicela] That will be our principal objective. We shall propose the following to the Indian organizations: Let us sit down and talk, and let us identify those areas in which we can get to work immediately.

[HOY] But will some sectors say "no" to you?

[Duchicela] It is only natural that a problem as complex as the Indian problem will involve some areas in which we shall initially be unable to reach an agreement. I believe, however, that President Duran Ballen definitely wants to make this secretariat function efficiently, and that above all else he is seeking unity and positive results.

[HOY] Do you believe the government has the political will to implement these changes that you are proposing?

[Duchicela] I believe so. The government has successfully established a policy of macroeconomic stabilization, and I believe it is prepared at this time to step in with a strong plan and program in the social area.

[HOY] Why have these concrete measures been taken in the Indian sector?

[Duchicela] This secretariat was created precisely in order to avoid a situation in which some organization or other would have to take de facto measures because no one had paid any attention to the Indians or listened to them. With the creation of this secretariat, we shall have sufficient time to take such measures.

[HOY] Many have expressed the opinion that you were appointed to carry out a symbolic social policy for the government. What is your opinion in this regard?

[Duchicela] I believe these interpretations are not correct.

[HOY] There has been speculation concerning the reasons why the government chose someone such as yourself who is not necessarily active in the Indian sector. What is your response?

[Duchicela] Because of the disunity within the Indian community, the government had great difficulty finding someone who could remain above all this; hence my appointment.

[HOY] But why Luis Felipe Duchicela? Why not someone fron a tribe, from the Conaie [National Commission for Indian Affairs], or from the Cofanes?

[Duchicela] The Indian problem cannot be managed efficiently at the governmental level by someone who is not equipped with the administrative and technical tools used in the areas of finance, human resources, and systems. Why is this so? Because a secretariat is an executive entity. We will be coordinating projects. As we go forward, we will be interested in getting results rather than in making speeches.

[HOY] But don't we need someone who understands the reality of Indian life?

[Duchicela] Of course we do. In that connection I believe the press has not been very accurate, perhaps because they have not been informed about my career and do not know about it.

[HOY] Haven't some people said that you sought this appointment in order to focus attention on your royal ancestry?

[Duchicela] Although it is true that we are very proud of our ancestry, we are prouder of our Indian roots and our culture than of being "noble," because we are modern persons. We have never proposed that we be conceded anything, or granted anything, merely because we are descendants of the ancient Shyris. This is because we have earned everything we possess through our own efforts. My grandfather was an Indian who emigrated from Caccha to Guayaquil—as hundreds of Indians did—and I had the good fortune to excel intellectually and to progress. As a result, I was the first Ecuadoran to be hired as an attorney by Chiquita Brands in Ecuador; in its 60 years of existence, all of the company's attorneys had been gringos. We must give the community something in return for the progress that we have made as

professionals; that is the way we can show how we feel and give something in return. The fact that we are descendants of royalty was not the reason the government sought us out.

[HOY] Some columnists have wondered how this secretariat could possibly be entrusted to someone who among other things lives in a residential district of Guayaquil such as Urdesa. What is your interpretation of this evaluation?

[Duchicela] This is one of the mental chains that has to be broken. The columnist in question is saying that this post must be given to an Indian who was born and raised in the Sierra. But what does this mean? Does it mean that we Indians who after one or two generations have been able to get an education, rise to another level, and excel in the world of the white mestizos have ceased to be Indians? This is precisely what we wish to combat.

[HOY] Have you encountered any resistance from the Indian sector?

[Duchicela] No. I do not think so. I have not heard of any. What Conaie said was that they opposed the action because the secretariat would be just one more bureaucratic jurisdiction and would prove to be an obstacle to communication with the government. I say that is not what is going to happen.

[HOY] Haven't some people said that you are an unknown in the Indian movement?

[Duchicela] Although it is true that I have lived these past 11 years in Panama, Costa Rica, and Honduras, I have always kept in close touch with our community of Caccha in Chimborazo.

[HOY] What was your background before the appointment that you are pointing to with pride?

[Duchicela] During my university years, instead of going to parties or soccer matches I went to the Indian communities, where I made many friends among the peasant leaders of that time. Some of them are top leaders today, such as Luis Macas, who has been my friend since we were fellow students at the university; Bolivar Tapuy, who is deputy for Napo; Anpam Carakras; Sharine Shiguango, who has been named to a post in the Ministry of Social Welfare; and others. We worked together with them, and in those days I came to know the Indian reality. My degree thesis dealt with the reality of the Indian peasants of the Sierra and involved a study of the various forms of material development in the sector.

Bank Executives Arrested for Laundering

PA2306144194 Madrid EFE in Spanish 1547 GMT 22 Jun 94

[Text] Quito, 22 Jun (EFE)—The top 14 executives of Banco de los Andes, including its chairman, Rear Admiral Guillermo Duenas (retired), and its attorney [procurador], Chilean Gonzalo Huidobro, were arrested for alleged ties to the "laundering" of properties from drug trafficking. The two were jailed a few hours ago, the local news media have reported.

Duenas, owner and chairman of the bank board of directors, is allegedly linked to the "laundering" of properties of more than 20 members of the Reyes family, Pichincha Police Superintendent Boanerges Villagomez confirmed today.

According to the police, the so-called group "Three Magi" [Los Tres Reyes Magos], headed by wealthy businessman Victor Hugo Reyes, who is under arrest, was the only organization with the characteristics of a "cartel" in Ecuador and was dismantled two years ago. The Reyes family has been facing drug trafficking charges since then.

At least a dozen people, including certain retired officers and executives of a local airline, have been charged with these offenses.

According to Ecuadoran law, any offense related to trafficking or "laundering" of money obtained through the illicit drug trade brings with it imprisonment for the accused until found innocent.

The charges against Duenas are based on a report by a special congressional commission, the police, and the Bank Superintendency, which also ordered the imprisonment of Huidobro.

Duenas was arrested a few hours ago in the main building of his bank in Quito during a discreet operation that involved uniformed and plainclothes policemen. In a statement from the Provisional Detention Center, Duenas said that his arrest "is illegal and unjustifiable" and that he will give fuller details in the coming hours.

Bank Superintendent Ricardo Munoz has asked the bank's 170,000 customers to remain calm, because "neither the bank's solvency nor immediate liquidity is adversely affected by the arrests." Banco de los Andes has $72.5 million in deposits and a portfolio estimated at more than $85 million. "The investigations," he said, "are directed at events that occurred from 1989 to 1990, and so the bank's current status is not at risk." He added "there should not be a run on the country's banks, because the Ecuadoran financial system is solid and handled with great professionalism and seriousness."

According to Munoz, Rear Admiral Duenas had charged investigations were not conducted by order of Congress but, rather, based on exigencies of the U.S. Drug Enforcement Administration [DEA] and the U.S. Embassy. News reports have stated Duenas also owns at least 52 companies in different sectors, magazines, television production companies, advertising agencies, and shares in several Ecuadoran newspapers.

Paraguay

Cuban Legislators Meet Vice President

PY2306155594 Asuncion NOTICIAS in Spanish 23 Jun 94 p 18

[Text] The Cuban congressional delegation that is visiting our country met on 22 June with Chamber of Deputies President Francisco Jose De Vargas and congressional Public Health Committee members.

The delegation of representatives from the National Assembly of the People's Government [ANPP] is made up of Carlos Dotres Martinez and Sergio Pastrana, chairman and secretary of the ANPP Health, Sport, and Environment Committee, respectively. They are being accompanied by Manuel Samora, a Central Committee International Department member.

During the meeting the legislators discussed strengthening links between legislators from the two nations through an exchange of experiences.

The Cuban legislators recalled that last year a delegation of National Congress Health Committee members visited Havana, adding that they had an opportunity to personally get acquainted with the progress achieved in this field by Fidel Castro's administration.

At the end of the meeting with Deputy De Vargas the Cuban delegation visited the Clinic Hospital and then met Vice President Angel Roberto Seifart. The Cuban delegation also will visit historic and tourist attractions. The delegation will stay in the country until 26 June.

Roundup of Economic Reports

PY2306214794

[Editorial Report] The following is a compilation of reports on economic activities in Paraguay monitored through 23 June.

The National Development Bank, BNF, has reported using an Inter-American Development Bank line of financing to grant loans to 600 mostly agroindustrial companies. Total loans amounted to 62.6 billion guaranies. The BNF said that 83 percent of this amount was used to finance the purchasing of machinery, equipment, and the construction of factory facilities, and that 17 percent was used as initial operative capital or to implement industrial projects. The loans were used to create 90 new companies and to enlarge and modernize 510 existing productive units. (Asuncion ULTIMA HORA in Spanish 20 Jun 94 pp 12-13)

President Juan Carlos Wasmosy announced that the Paraguayan Central Bank's net international reserves registered a "surprising increase" to $966 million in the first half of June. The Central Bank reported that on 13 May total reserves were $855.4 million, at the beginning of June reserves climbed to $901 million, and that they today stand at $966 million. The Central Bank did not explain officially the reasons for the sudden increase, but it was reported that some of the causes are Brazil's payment of its debt on Itaipu royalties, the entry of short- and medium-term foreign capital into the country, and the local deposit of Brazilian capital escaping from the uncertain electoral climate in Brazil. (Asuncion ABC COLOR in Spanish 21 Jun 94 p 13)

Peru

Candidate Perez de Cuellar Interviewed

PY2306192594 Lima EL COMERCIO in Spanish 15 Jun 94 p A4

["Exclusive" interview with presidential hopeful Javier Perez de Cuellar by Juan Paredes Castro; in Paris "via satellite," date not given]

[Text] [Paredes Castro] What is your reaction to the numerous statements of support for your candidacy?

[Perez de Cuellar] I am deeply grateful to all the national Peruvian sectors that have asked me to run for president. In addition to being an honor and a distinction, it also constitutes a challenge that can only be accepted after a period of mature meditation. It is not that I am avoiding this political commitment; during my 10 years as UN secretary general, I engaged in politics and have witnessed the work of eminent politicians. Out of a deep sense of responsibility, I am compelled to carefully weigh the pros and cons of this decision. Let me assure you, however, that I will inform you very soon whether I have decided to run for president.

[Paredes Castro] If you run, will it be as an independent or for a given party?

[Perez de Cuellar] I am, and have always been, a political independent. I was a member of the Peruvian diplomatic service for nearly 40 years and as such was obliged to be politically independent. Being a confirmed democrat, however, I am not adverse to political parties. I do not exclude them nor ignore them because they have the indispensable duty of guiding the people, representing them and defending their interests. Political parties are the essence of democracy. Specifically, to answer your question, I would choose to be an independent candidate.

[Paredes Castro] How do you view the country's situation?

[Perez de Cuellar] It would take a long time to fully answer your question. There have been important improvements in the last four years: The country has been reinserted into the international economic community, a certain economic stability has been achieved, and terrorism has been considerably reduced. We are still faced with many serious problems: Increasing unemployment, a serious stagnation of our exports, agriculture and mining face a difficult situation and, worse still, the impoverishment of the majority is increasing. All this undermines the success of the current economic model. I

wish to make it perfectly clear that this is not a question of changing our macroeconomic policy which is in line with an almost universal trend. I must remind you that while I was the UN secretary general in 1990, I helped President Fujimori to enforce this policy in Peru. We must avoid becoming fanatical or ultra-neoliberal, and especially careful to avoid becoming more fanatical than the leaders of the World Bank or the IMF.

I believe we must streamline public expenses without altering the macroeconomic balance; we must increase social spending and invest in Peruvian citizens. If we are to safeguard and consolidate what has been achieved in economics and in domestic security, we must immediately pay heed to our social emergencies.

[Paredes Castro] Could you give some examples?

[Perez de Cuellar] The first thing that comes to my mind is education. To invest in education is to invest in the future. Education is the key to sustainable development. Youth should be a priority area for upcoming Peruvian administrations: We must train for the future, and this starts in schools and universities. Preferably we must center our attention on teachers. What is the point of building schools if we lack teachers? What if the teachers we have available are discouraged and poorly paid? Education is, undoubtedly, one of the least favored areas in Peru.

Decentralization is another concerning issue. The executive branch must delegate power at the departmental, provincial, and district levels. Mayors elected by the people should have the means to undertake the needs of their cities and residents. I believe decentralization is the best way to achieve integration.

I would also like to mention the need to consolidate basic institutions like the judiciary, the Armed Forces, the National Police, and the Diplomatic Service, which must adopt their own institutional regulations and must refrain from arbitrary measures and avoid becoming politicized.

[Paredes Castro] How do you assess appeals for a national consensus?

[Perez de Cuellar] In view of the serious problems affecting the country, a national consensus is indispensable. By consensus I mean different or opposing national opinions should agree on common national objectives. This does not entail a unanimous decision or a majority decision. Through negotiations, each group should yield something toward a desired general agreement. I believe the next president should strive to achieve a consensus with Congress and thus solve the serious problems affecting the country. The interrelation of the branches of government will give Peru lasting stability and the governability it needs. Moreover, we should not overlook the advantage of consensus among the government, business, and labor.

[Paredes Castro] You have mentioned clear electoral rules. What do you have in mind?

[Perez de Cuellar] We have already reinserted our country in international economic circles. We must now reinserted it as a democracy at the continental and international level. To achieve this we must enforce an impeccable democratic system and an irreproachable implementation of human rights. The free expression of the will of the people is the basis of democracy. If this will is to be undisputed, we must have absolutely clean elections with very clear rules of play and absolute guarantees of impartiality. This involves the Electoral Court, the Armed Forces, and the National Police, which is fulfilling its role of safeguarding security through its arduous fight against terrorism and drug trafficking.

[Paredes Castro] Reports of your candidacy continuously appear in the press....

[Perez de Cuellar] Ever since my candidacy was mentioned, I have met in Lima and here, in Paris, with numerous fellow Peruvians whose ideas and views I have heard with great interest. I want to explain, nevertheless, that for the time being the only reports and opinions that reflect my thoughts are those which I make personally, like in this interview.

Congress Keeps Tough Sentences for Poppy Growers

PY2306173794 Lima EL COMERCIO in Spanish 16 Jun 94 p A5

[Excerpt] The Constituent Congress plenum on 15 June insisted on its original draft bill that punishes those involved in poppy growing with up to 15 years of imprisonment, thus minimizing the executive branch proposal for reduced punishment for those who own up to one kilogram of poppy seeds.

The bill states that those who engage in growing, promoting, helping, or financing garden poppy will be punished with imprisonment terms no shorter than eight years and no longer than 15 years. It adds that if someone is captured with a maximum of 100 poppy plants, he will be sentenced to prison for no less than two years and no more than eight years.

In an effort to justify the bill, Congressman Carlos Ferrero Costa (C 90-NM) [Change 90-New Majority] said these details are necessary because "one kilogram of garden poppy seeds can produce up to 38 kg of poppy."

The draft bill adds that those people who are facing trial or already have been sentenced for this crime will not be granted any freedom on bail, parole, probation, redemption of the sentence by work or education, remission of the sentence, or pardon.

Since Congress insisted on its original proposal, the draft bill must be promulgated by the Congress president to be implemented. [passage omitted]

Roundup of Economic Reports

PY2306235694

[Editorial Report] The following is a compilation of reports on economic activities in Peru monitored through 23 June.

On 15 June the state obtained $103 million with the auction of 38.87 percent of its shares in the Cementos Lima plant. Special Privatization Committee President Jesus Zamora termed the auction successful, as a good profit was obtained from the shares, and because 58.75 percent of the shares went to international firms and 41.25 percent to local institutions. (Lima EXPRESO in Spanish 16 Jun 94 p A22)

The Ministry of Fisheries has obtained a "unprecedented" profit of $62 million from its licensing of squid fishing, which netted 372,877 metric tons from 1992 to May 1994. A ministry source said that the money is being used to build schools and health units, to promote a national pacification program, and to support the subsistence fishing sector. The ministry awarded the squid fishing licenses to Japanese and Korean companies, which won the five international bids. (Lima EXPRESO in Spanish 11 Jun 94 p A22)

The PRC will grant $205 million to Peru, of which $70 million will be invested in oil projects, $16 million will be donated, and $20 million will be designed to implement social programs. The Bank of China will grant $40 million in financing for agricultural projects, and the PRC state corporations $57 million to implement various projects. This was reported in Beijing on 8 June following negotiations between PRC President Jiang Zemin and Peruvian President Alberto Fujimori. (Lima EL COMERCIO in Spanish 10 Jun 94 p A4)

On 6 June World Bank expert Juan Quintero reported that the bank will grant $400 million during the year to finance various projects in Peru. The bank stipulates that one out of three projects have to deal with environmental issues, in compliance with the principles observed by the bank since 1989. (Lima EL COMERCIO in Spanish 7 Jun 94 p A6)

The German Government has granted $1.2 million to Peru to finance a special program on the preservation, protection, and rational use of natural resources within a sustainable development scheme. This fund will be earmarked mainly for parks and forest reserves located in Madre de Dios, Lambayeque, Tumbes, Piura. (Lima LA REPUBLICA in Spanish 16 Jun 94 p 16)

Democratic Constituent Congress President Jaime Yoshiyama on 21 Jun held a protocol meeting with Swiss Ambassador to Peru Marcus Kaiser. He then reported that his government will grant $33 million to Peru to implement social programs for the poorest sectors. (Lima Global de Television Network in Spanish 0030 GMT 22 Jun 94)

The trade balance with Argentina has registered a $204.3 million deficit in 1993, with exports at $18.3 million and imports at $222.6 million. Peru exports mining products, which have low economic significance, and imports a large quantity of agricultural and livestock products. (Lima EXPRESO in Spanish 13 Jun 94 p A24)

Correction to Analyst Doubts Terrorism Finished by 1995

PY2006184294

The following correction pertains to the item headlined "Analyst Doubts Terrorism to End by July 1995" published in the 20 June Latin America DAILY REPORT on page 57:

First paragraph, last sentence, reads ... however, this does not mean terrorist activities ... (providing dropped word)

Uruguay

Cairns Group Holds 'Secret' Meetings on GATT

PY2406005194 Montevideo EL OBSERVADOR ECONOMICO in Spanish 20 Jun 94 p 9

[Text] The Cairns Group has been holding secret meetings. Sources attending the meetings told EL OBSERVADOR that some members reported that many developed countries are not fulfilling their commitments to liberalize trade as agreed at the end of the Uruguay round of GATT talks in April.

During the meeting members reproached each other for their attitude during and after the Uruguay round of talks.

The sources added that during the Cairns Group meeting in Montevideo on 19 and 20 May, some delegates claimed to have reliable information on unfair trade practices, which were thought to have been overcome but which are still being used.

Representatives of agricultural country agreed that the failure to fulfill GATT agreements hurt the agricultural countries that do not subsidize their products. Representatives agreed on the need to follow developments in order to guarantee respect for international agreements.

"The clause referring to subsidies for producers must be supervised carefully. We must follow its implementation closely to prevent its use against our interests," the Brazilian delegate said during the secret meeting.

He added: "I have very clear information that some countries will not fulfill their commitment to the Uruguay round of GATT talks because their budgets will be affected. This is very dangerous and we must be very careful."

Various speakers had similar complaints. They all agreed "to follow" developments within the economic policies

of other blocs, seeking to detect failures to fulfill their agreements in the area of agriculture.

The Argentine representative said "we must become a thorn in the side of Brussels, Washington, and Tokyo; if we do not, the Cairns Group could become a bureaucratic mess and disappear. We must pack our bags, go there, and needle them."

The Uruguayan delegation indicated that "the schedules for implementing the commitments of the Marrakech Declaration do not coincide with our timetable," warning that "the implementation of the Uruguay Round commitments must not be postponed."

The private sessions of the Cairn Group ministers meeting did not run in perfect harmony even though an attempt was made to present a united front.

Argentina took advantage of the situation to criticize members of the group that indulge in the practice of subsidies. The innuendo was directed mainly at Brazil and Canada with whom Argentina had a controversy regarding the trading of wheat.

The meeting's most tense moment came when Australian Trade Minister Bob McMullan, who presided the sessions, implicitly acknowledged that Australia had individually negotiated agricultural matters with the United States and the EU [European Union] without informing other Cairns Group members. The situation is serious because Australia exercised the Group's presidency during the Uruguay Round.

An Argentine petition to include in the agenda a common strategy regarding a common agricultural policy motivated McMullan's acknowledgement.

McMullan, notably perturbed, admitted that the document was Australia's, but indicated that his country was still negotiating with the United States and Europe and did not want the Cairns Group to follow it up if the proposal did not have a chance of being successful.

The topic was not discussed any more during the meeting but several South American diplomats later commented that McMullan's answer suggested a deceitful form of conduct by Australia and highlighted the lack of a total cohesion within the group.

During the final secret session, the Australian representative recommended that the delegations should exhibit an image of internal consensus and imply that the Cairns Group obtained concrete achievements during the Uruguay Round.

Poll Shows National Party Popularity Increase

PY2306200294

[Editorial Report] Montevideo BUSQUEDA in Spanish on 16 Jun, page 4, carries an approximately 700-word report on the results of a nationwide poll by the Factum enterprise between 3 and 13 June. The poll interviewed 1,232 people. The poll shows the National Party enjoys 27 percent support compared to 25 percent on 9 May; the Colorado Party 31 percent compared to 35 percent; the Broad Front 28 percent compared to 26 percent; and the Green Party 2 percent, which is the same as on 9 May.

Roundup of Economic Reports

PY2306212394

[Editorial Report] The following is a compilation of reports on economic activities in Uruguay monitored through 23 June.

The automotive industry's export trade grew by 136 percent in the first quarter of the year as compared with the corresponding period in 1993, with earnings totaling $34.3 million. This expansion was due mainly to a surge in sales to Argentina of cars assembled in Uruguay. There was also an upturn in the export figures for the livestock sector, which grew 140 percent in the first quarter, with earnings of $29.7 million. The export of traditional products, representing 35 percent of the country's total exports, recorded the greatest expansion, earning $137.1 million. This was due mainly to the upswing in the demand for and price of wool. Exports of dirty and semiwashed wool grew by 125 percent in volume, reaching 8,670 metric tons in the first quarter. Exports of meat and meat by-products rose by 14 percent, totaling $120 million. Other exports, however, which had greatly expanded last year, have so far this year recorded a decline. Exports of rice, for example, plummeted by 25 percent, while the export of electricity, which amounted to $11.3 million in the first quarter of 1993, is practically zero due to the drop in Argentine demand. (Montevideo EL OBSERVADOR ECONOMICO in Spanish 16 Jun 94 p 9)

The Inter-American Development Bank, IDB, announced on 16 June the approval of a nonreimbursable $1.1 million loan to Uruguay for the funding of a program to streamline the General Directorate of Taxation, DGI, through the upgrading of its administrative information system and the training of its human resources. The project seeks to curb tax evasion, improve taxpayer services, and boost DGI personnel's productivity. The IDB also announced the approval of a $1.05 million loan for the National Customs Directorate, to be earmarked for decentralizing and reorganizing the administration, training its staff, expanding its computerized information service, and updating regulations. (Montevideo EL OBSERVADOR ECONOMICO in Spanish 17 Jun 94 p 13)

Venezuela

Lawmakers Condemn U.S. Intervention in Haiti

PA2406003694 Caracas Union Radio Network in Spanish 2200 GMT 23 Jun 94

[Report by Cecilia Cayone; from the "Union Radio News" newscast]

[Text] The Chamber of Deputies has agreed to condemn unanimously any U.S. military intervention in Haiti. In addition to condemning any unilateral or multilateral military intervention, through the agreement approved by the Chamber, the lawmakers also decided to reject pressure from the United States to receive quotas of Haitian refugees. The lawmakers also demanded an end to the economic blockade on Haiti because they believe it affects the innocent population instead of the government.

Deputy Herman Monzon, chairman of the Lower Chamber Foreign Policy Commission, gives more details about this decision:

[Begin Monzon recording, broadcast in progress] ...to condemn the possibility of an intervention in Haiti by the U.S. An intervention of this nature would be a costly operation and it would involve the possibility of loss of human lives and material losses.

I would recommend this money be used to develop Haiti. This is an historic juncture. Venezuela must once more assume leadership in Latin American to restore legitimacy in Haiti and to support the Haitian people. The Haitian people need the help of the entire international community. [end recording]

In addition, Foreign Minister Miguel Angel Burelli Rivas reiterated that so far our country has not received an asylum request from Haitian refugees. The foreign minister made these statements when leaving Congress after a summons by the Foreign Policy Commission regarding Haitian refugees. When asked about the number of Haitians who would enter the country, the foreign minister, who was visibly disturbed, said the following:

[Begin Burelli recording] You want me to say no flatly. Obviously, a country that received assistance from Haiti at a historical moment cannot say no. But we will only receive those we deem convenient. The three, four, or five Haitians who will help us investigate specific nuclear problems in Haiti will come, just like Manigat and his wife did.

But for heaven's sake, stop speculating that 150,000 Haitians will come in planeloads or shiploads. Such speculations are ill-intended. I said here many times that only 35 Haitians have reached the U.S. ships off the coast of Jamaica. Of these, only six Haitians qualified for asylum and 29 others were returned. Just imagine, we will assess these cases in our embassy in Washington, and the ambassador will call here or send us a note when a Haitian who wants to go to Venezuela gets to the embassy. [end recording]

Finally, the foreign minister reiterated that the United States has not pressured our country to accept Haitian refugees.

Burelli Decries Argentine Senate's Stand on Perez

PA2306135694 Caracas Union Radio Network in Spanish 2200 GMT 19 Jun 94

[Report by Vicente Briceno; from the "Union Radio News" newscast]

[Text] Foreign Minister Miguel Angel Burelli has strongly criticized the Argentine Senate's statement on the legal proceedings of the trial of former Venezuelan President Carlos Andres Perez. Burelli believes the Argentine parliament has no right to interfere in Venezuelan affairs. Vicente Briceno reports:

[Briceno] As the foreign minister left the special Council of Ministers meeting at Miraflores Palace, he said the branches of the Venezuelan Government have properly handled the case of former President Perez. Despite the Argentine Senate's statement, he said Venezuela will not break relations with the Argentine Government, because the Senate issued that statement, not the executive branch. He also said Venezuela will not send a protest note to Argentina, because the Venezuelan diplomatic delegation in that country handles these types of statements by expressing regret over them.

[Begin Burelli recording] The government branches have seriously and flawlessly handled Perez's case. Congress, in its own right, and the judicial branch have intervened in the case, thus allowing the former president to enjoy the rights to which he is entitled. The process has been so impeccable that Perez's own party had expelled him as the judicial branch made a decision. The Venezuelan Senate and state would never dare give opinions on decisions that foreign governments have made. [end recording]

[Briceno] Burelli again broached the controversial case of the Haitians who will reportedly be granted asylum in Venezuela, a case which has triggered opposing opinions in the executive cabinet. He has said that only those Haitians whom the government has approved will be granted asylum and that our embassy will select them. The exact number of these Haitians has yet to be determined, however.

Defense Minister Montero Rejects Coup Rumors

PA2406041794 Caracas Radio Union Network in Spanish 2200 GMT 23 Jun 94

[Report by Vicente Briceno from the "Union Radio News" newscast]

[Text] Defense Minister General Rafael Montero Revette this Thursday rejected rumors of a new coup attempt in the country. In this regard, he said the unequivocal task within the military organization is to work for Venezuela, adding that that is why there is no talk about military rebellion within the Armed Forces. Montero also indicated that those implicated in the 4

February and 27 November 1992 coup attempts were pardoned and some of them reinstated in the Armed Forces.

Admitting that the country's situation is difficult, General Francisco Visconti, one of the leaders of the 27 November 1992 coup attempt, said that the conditions for a new coup in Venezuela do not exist. The high-ranking military officer, whose case was dismissed in exchange for his discharge from the Armed Forces, was received by President Caldera, whom he thanked for the peace process implemented in the military. Wearing the typical blue Air Force uniform with his brigadier general rank, Visconti asked the president to ensure that the aeronautics experience of the high-ranking officers who will retire 5 July be used in the most efficient and productive manner for the country.

Admitting that the country's crisis is deep, the coupist military officer asked for a vote of confidence for the president, whom he described as a man with the morals and professionalism to lead Venezuela. He added that this task cannot be carried out by only one person, rather a highly qualified human team.

[Begin Visconti recording] We have said that this is a very difficult task, which requires our cooperation. Consequently, the commitment is not to Dr. Caldera but to ourselves, Venezuelans, and our fatherland, which must overcome the existing crisis. [end recording]

Although he thinks that commander Hugo Chavez Frias has the right to make proposals, Gen. Visconti said that he will not constantly criticize the administration as Chavez has been doing.

Government Denies Responsibility for Crisis

PA2406040594 Caracas Union Radio Network in Spanish 2200 GMT 22 Jun 94

[From the "Union Radio News" newscast]

[Text] The government does not take responsibility for the financial crisis the nation is experiencing, because, according to Guillermo Alvarez Bajares, OCI [Central Information Office] director, the Executive Branch does not have a major say in decisions made by the Banking Superintendency and the Central Bank of Venezuela.

In his statements, which were motivated by the proposed censure vote against Finance Minister Julio Sosa, Alvarez Bajares said that the responsibility falls on the Congress, because the government's legal actions, which are very well defined, exclude it from making such decisions. Regardless of whether the parliament approves the appointment, it is the president who appoints candidates to head these organizations.

In the opinion of the OCI director, government officials are not implementing decisions of the Fogade [Deposit Guarantee and Banking Protection Fund], Banking Superintendency, and Central Bank of Venezuela. As a result, contradictions appear in each of these institutions. He admitted that the situation is difficult to manage. Even though the decision to subsidize the banks was made at a cabinet meeting and subsequently sent to the Congress for its approval, Alvarez Bajares insisted that the problem belongs to the political parties that approved the subsidies and now criticize the situation.

[Begin Alvarez Bajares recording] Except for the [words indistinct] management problem it has inherited and its attempts to mitigate the resulting social effects, the government has little responsibility for management as far as a decisions made on specific issues are concerned. The government does not manage monetary policy, it does not manage the amount of subsidies granted to banks, and it does not manage or control bank operations.

The OCI minister reiterated that the government does not necessarily agree with policies adopted until now; it is just the contrary. The government objects to the high interest rates, among other things, but this policy is not the responsibility of the Finance Ministry, he noted.

Banking Institutions To Begin Paying Depositors

PA2306170494 Caracas Union Radio Network in Spanish 1100 GMT 23 Jun 94

[Report by Cecilia Cayone; from the "Union Radio News" newscast; passages within quotation marks recorded]

[Text] Noris Aguirre, president of the Deposit Guarantee and Banking Protection Fund [Fogade], has reiterated that beginning today, banking institutions such as Bancor [Banco Nororiental de Venezuela], La Guaira, and Amazonas will begin paying depositors up to 100,000 bolivares upon presentation of their bankbook. Here is Cecilia Cayone with a report:

[Cayone] Noris Aguirre made this statement after she was summoned by the congressional Finance Commission regarding the granted financial assistance. Aguirre had said only depositors in Caracas will be paid today.

[Begin recording] [Aguirre] Only offices in Caracas will make payments while offices in the interior will begin payments tomorrow. Concerning Banco Amazonas, its Caracas offices will open at 1400.

[Cayone] Will payments be made only upon presentation of a bankbook [word indistinct]?

[Aguirre] Yes. Payments will only be made in this manner. [end recording]

[Cayone] Meanwhile, Deputy (Jorge Roy) has said the Radical Cause Party will file criminal charges in the coming days against the Finance Ministry, the Banks Superintendency, and Fogade, because that party

believes the granted financial assistance violates the General Banking Law.

[Begin (Jorge Roy) recording] All financial assistance that has been granted in the past days must comply with Article 314 of the Banking Law, no exceptions. Article 314 clearly stipulates that no financial assistance can surpass the total amount, whatever it may be, which Fogade collected during the previous year or the previous two semesters. Fogade never collected more than 100 billion bolivares in 1993; therefore, the granted financial assistance should not have surpassed 200 billion bolivares.

We asked Aguirre about this issue today, and she said she should have an answer ready by tomorrow, because her lawyers are studying the case. We are totally convinced this financial assistance is illegal, because it should have never surpassed 100 billion bolivares. As soon as we have Aguirre's report, we will proceed to file the corresponding charges. [end recording]